

Minutes of the Meeting of the Board of Directors of the Cook County Health and Hospitals System (CCHHS) held Friday, August 30, 2019 at the hour of 9:00 A.M. at 1950 West Polk Street, in Conference Room 5301, Chicago, Illinois.

**I. Attendance/Call to Order**

Chair Hammock called the meeting to order.

Present: Chair M. Hill Hammock, Vice Chair Mary B. Richardson-Lowry and Directors Hon. Dr. Dennis Deer, LCPC, CCFC; Mary Driscoll, RN, MPH; Ada Mary Gugenheim; Mike Koetting; Heather M. Prendergast, MD, MS, MPH; Robert G. Reiter, Jr.; and Sidney A. Thomas, MSW (9)

Present  
Telephonically: Director David Ernesto Munar (1)

Absent: Director Layla P. Suleiman Gonzalez, PhD, JD (1)

Director Koetting, seconded by Director Gugenheim, moved to allow Director Munar to telephonically participate in the meeting as a voting member. THE MOTION CARRIED UNANIMOUSLY.

Additional attendees and/or presenters were:

Ekerete Akpan – Chief Financial Officer  
Charles Jones – Chief Procurement Officer  
James Kiamos – Chief Executive Officer, CountyCare  
Jeff McCutchan –General Counsel  
Carrie Pramuk-Volk – CCH Employment Plan Officer

Barbara Pryor – Chief Human Resources Officer  
Deborah Santana – Secretary to the Board  
John Jay Shannon, MD – Chief Executive Officer  
Ronald Wyatt, MD – Chief Quality Officer

**II. Employee Recognition**

Dr. John Jay Shannon, Chief Executive Officer, recognized employees for outstanding achievements. Details and further information is included in Attachment #6 - Report from the Chief Executive Officer.

**III. Public Speakers**

Chair Hammock asked the Secretary to call upon the registered public speakers.

The Secretary called upon the following registered public speaker:

1. George Blakemore Concerned Citizen

**IV. Board and Committee Reports**

**A. Minutes of the Annual Board of Directors Meeting, July 26, 2019**

Vice Chair Richardson-Lowry, seconded by Director Thomas, moved the approval of the Minutes of the Annual Board of Directors Meeting of July 26, 2019. THE MOTION CARRIED UNANIMOUSLY.

#### **IV. Board and Committee Reports (continued)**

##### **B. Human Resources Committee Meeting, August 20, 2019**

- i. Metrics (Attachment #1)
- ii. Meeting Minutes

Vice Chair Richardson-Lowry and Barbara Pryor, Chief Human Resources Officer, provided an overview of the Metrics and Meeting Minutes. Carrie Pramuk-Volk, CCH Employment Plan Officer, provided additional information relating to her semi-annual report that was presented at the Committee Meeting. The Board reviewed and discussed the information.

Vice Chair Richardson-Lowry, seconded by Director Thomas, moved the approval of the Minutes of the Human Resources Committee Meeting of August 20, 2019. THE MOTION CARRIED UNANIMOUSLY.

##### **C. Managed Care Committee**

- i. Metrics (Attachment #2)

Director Thomas and James Kiamos, Chief Executive Officer of CountyCare, provided an overview of the metrics. The Board reviewed and discussed the information.

With regard to the metric on the percentage of claims paid in less than thirty (30) days, Chair Hammock indicated that if it does not improve significantly, he would like this brought back to the Board for further review and discussion. Additionally, he requested that a longitudinal chart on membership be included in future presentations.

##### **D. Quality and Patient Safety Committee Meeting, August 23, 2019**

- i. Metrics (Attachment #3)
- ii. Meeting Minutes, which included the following action items and report:
  - Medical Staff Appointments/Reappointments/Changes

Director Gugenheim and Dr. Ronald Wyatt, Chief Quality Officer, provided an overview of the metrics and meeting minutes. The Board reviewed and discussed the information.

Director Gugenheim, seconded by Director Driscoll, moved the approval of the Minutes of the Quality and Patient Safety Committee Meeting of August 23, 2019. THE MOTION CARRIED UNANIMOUSLY.

**IV. Board and Committee Reports (continued)**

**E. Finance Committee Meeting, August 23, 2019**

- i. Metrics (Attachment #4)
- ii. Meeting Minutes, which include the following action items and report:
  - Contracts and Procurement Items (detail was provided as an attachment to this Agenda)
  - Proposed Transfers of Funds

Director Reiter presented the Meeting Minutes for the Board's consideration. Ekerete Akpan, Chief Financial Officer, reviewed the Metrics and proposed Transfers of Funds considered by the Committee, and Charles Jones, Chief Procurement Officer, provided a brief overview of the contractual requests considered at the Finance Committee Meeting. Additionally, Mr. Jones briefly reviewed the report on minority and women-owned business enterprise participation and information on one (1) emergency purchase that was recently made. It was noted that there are three (3) requests pending review by Contract Compliance (request numbers 5, 15 and 18 within the Finance Committee Meeting Minutes).

Director Reiter, seconded by Vice Chair Richardson-Lowry, moved the approval of the Minutes of the Meeting of the Finance Committee of August 23, 2019. THE MOTION CARRIED UNANIMOUSLY.

**V. Action Items**

**A. Contracts and Procurement Items**

There were no contracts and procurement items presented directly for the Board's consideration.

**B. Any items listed under Sections IV, V, VI and IX**

**VI. Recommendations, Discussion/Information Item**

**A. Cook County Health's Proposed FY2020 Preliminary Budget and Three (3) Year Financial Forecast: FY2020-2022 for Cook County Health's Impact 2023 Strategic Plan (Attachment #5)**

Dr. Shannon and Mr. Akpan reviewed the presentation on the proposed FY2020 Preliminary Budget and Three (3) Year Financial Forecast: FY2020-2022 for Cook County Health's Impact 2023 Strategic Plan, which included information on the following subjects:

- Uncompensated Care=Bad Debt + Charity Care
- Uncompensated Care Trends in the U.S.
- Uncompensated Care Data
- Bad Debt is on the Rise Throughout the Nation
- Bad Debt is on the Rise Locally
- CCH Uncompensated Care
- CCH Charity Care at Cost
- New Model for the Uninsured

**VI. Recommendations, Discussion/Information Item**

**A. CCH Proposed FY2020 Preliminary Budget and Impact 2023 Financial Forecast (continued)**

- Cost of Direct Access Program
- Charity Care in Cook County
- FY2019 Accomplishments
- FY2019 Capital Investments
- Operational Realities
- FY2020 Proposed Budget Summary
- Proposed Budget Revenue and Expense Drivers
- FY2020 Projected Volume
- FY2019-FY2020 Budget
- FY2020 Proposed CountyCare Financial Summary
- FY2020 Proposed External Revenue by Source
- Cook County Pension, Debt Service and Operating Allocation
- Operating Tax Allocation as a Percentage of CCH Revenue
- System Payor Mix by Visit as of June 2019
- FY2020 Success Factors
- FY2020-2022 Projections
- FY2020-2022 Forecast
- FY2020-2022 Revenue Projections
- FY2020 Budget Calendar

Dr. Shannon noted that the public hearings on the budget will be held on September 10<sup>th</sup> and 11<sup>th</sup>; the meeting times are being finalized and will be communicated once they are set.

During the discussion of the information, Director Deer inquired regarding the mental health care services for detainees at the Juvenile Temporary Detention Center. Dr. Shannon stated that previously, those services were contracted by the Office of the Chief Judge and were part of their budget. CCH took over those services as part of a settlement; the administration is currently in conversations with the Office of the Chief Judge on what the breadth of those services should be. There was a budget adjustment in the FY2018 budget that shifted care responsibilities to CCH, and the cost to provide services was absorbed by CCH. Dr. Shannon stated that he will have leadership brief Director Deer further on the subject of the settlement.

During the discussion of the information on future projections, Chair Hammock requested that, not later than next June, Mr. Akpan should present not only the actuals that are available, but also a projection to the end of the year, along with a projection for FY2021.

Director Reiter requested further information in anticipation of the Board's consideration of the proposed Preliminary Budget in September. He would like to see information on the last three (3) budgets and how they were reconciled - what the budget was set for, what were the actuals, and current year-to-date information. He also requested to see more detail for the categories that make up the budget.

Director Driscoll commented on the proposed \$13 million allocation for the Cook County Department of Public Health for FY2020; although there is grant funding that comes in for that area, she believes that it is an unrealistically low figure to run a public health service.

Director Thomas commented that he is concerned about the proposed \$115 million tax allocation from the County; if that amount changes, then CCH would have a deficit budget. Mr. Akpan responded that the \$115 million allocation is firm and committed; the agreement on the amount is with the President's staff, but the allocation will need to be approved by the County Board.

**VII. Report from Chair of the Board**

Chair Hammock commented that the administration has been working hard on CCH's response to the recent report released by the Cook County Office of the Independent Inspector General (OIIG) regarding CountyCare. The Board retained Deloitte US to help CCH analyze the facts around the OIIG report. The response is expected to be provided to the OIIG in the first week of September, and will include Deloitte's objective report.

Chair Hammock stated that the Cook County Health Foundation's annual event will be held on September 25<sup>th</sup>; this year they are recognizing CCH's relationship with the Greater Chicago Food Depository.

**VIII. Report from the Chief Executive Officer (Attachment #6)**

Dr. Shannon provided an update on several subjects; detail is included in Attachment #6.

**IX. Closed Meeting Items**

- A. Claims and Litigation**
- B. Discussion of personnel matters**
- C. Stroger Hospital Medical Staff Privileging Matter**

Director Reiter, seconded by Director Gugenheim, moved to recess the open meeting and convene into a closed meeting, pursuant to the following exceptions to the Illinois Open Meetings Act: 5 ILCS 120/2(c)(1), regarding "the appointment, employment, compensation, discipline, performance, or dismissal of specific employees of the public body or legal counsel for the public body, including hearing testimony on a complaint lodged against an employee of the public body or against legal counsel for the public body to determine its validity," 5 ILCS 120/2(c)(11), regarding "litigation, when an action against, affecting or on behalf of the particular body has been filed and is pending before a court or administrative tribunal, or when the public body finds that an action is probable or imminent, in which case the basis for the finding shall be recorded and entered into the minutes of the closed meeting," 5 ILCS 120/2(c)(12), regarding "the establishment of reserves or settlement of claims as provided in the Local Governmental and Governmental Employees Tort Immunity Act, if otherwise the disposition of a claim or potential claim might be prejudiced, or the review or discussion of claims, loss or risk management information, records, data, advice or communications from or with respect to any insurer of the public body or any intergovernmental risk management association or self insurance pool of which the public body is a member," and 5 ILCS 120/2(c)(17), regarding "the recruitment, credentialing, discipline or formal peer review of physicians or other health care professionals, or for the discussion of matters protected under the federal Patient Safety and Quality Improvement Act of 2005, and the regulations promulgated thereunder, including 42 C.F.R. Part 3 (73 FR 70732), or the federal Health Insurance Portability and Accountability Act of 1996, and the regulations promulgated thereunder, including 45 C.F.R. Parts 160, 162, and 164, by a hospital, or other institution providing medical care, that is operated by the public body."

Director Gugenheim, seconded by Director Reiter, moved that the Cook County Health Board of Directors adopt and approve the July 19, 2019 recommendation of the Stroger Hospital Joint Conference Committee, as well as the grounds and findings in support of that recommendation, with respect to Stroger Provider #1, for the reasons stated in today's closed meeting. THE MOTION CARRIED UNANIMOUSLY.

## **X. Adjourn**

Deborah Santana, Secretary

Requests/Follow-up:

- Follow-up: With regard to CountyCare metrics, a request was made for a longitudinal chart on membership to be included in future presentations. Page 2
- Follow-up: Leadership to provide briefing for Director Deer on the settlement regarding the provision of mental health care services to detainees at the Juvenile Temporary Detention Center. Page 4
- Follow-up: A request was made for Mr. Akpan to present the following, no later than next June: present not only the actuals that are available, but also a projection to the end of the year, along with a projection for FY2021. Page 4
- Request: A request was made for information on the last three (3) budgets and how they were reconciled - what the budget was set for, what were the actuals, and current year-to-date information. Additionally, a request was made for more detail for the categories that make up the budget. Page 4

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ATTACHMENT #1



# Human Resources Metrics CCH Board of Directors

**Barbara Pryor**  
**Chief Human Resources Officer**

**August 30, 2019**



**COOK COUNTY**  
**HEALTH**

# Metrics



COOK COUNTY  
**HEALTH**

# Important Performance Data

FY19 Vacancy	Count
Fiscal Year 2019 Approved Positions:	7,265
Current Vacancy Number:	NA
# of Positions in Process:	838

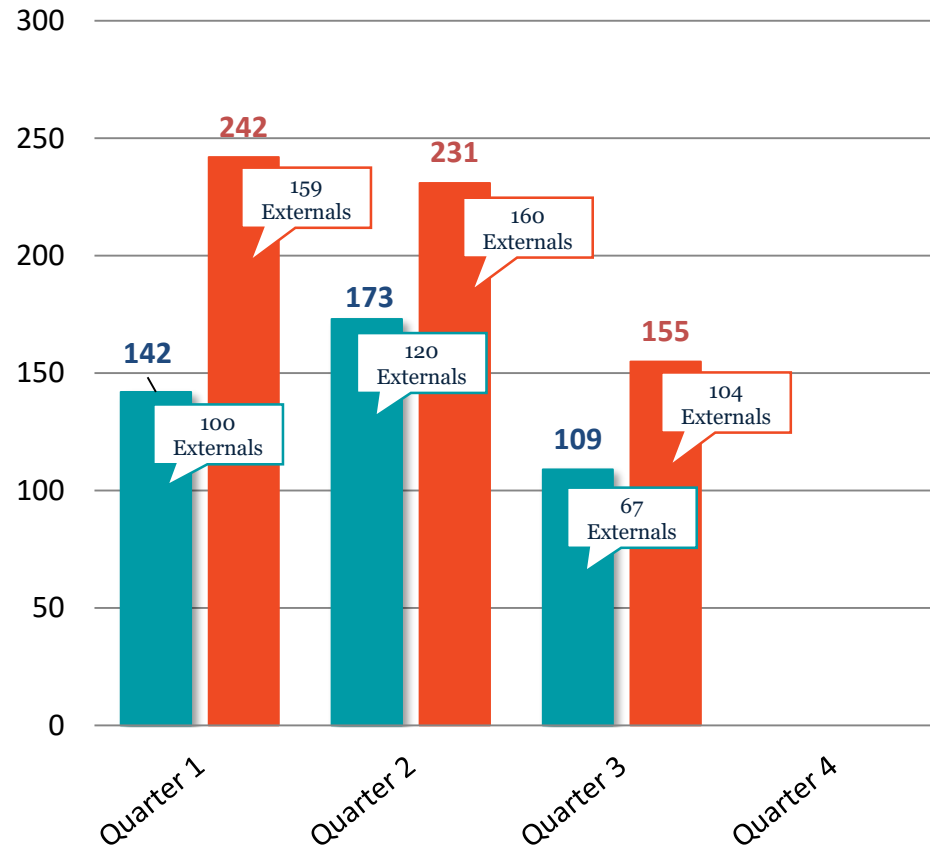


# CCH HR Activity Report

Thru 07/31/2019

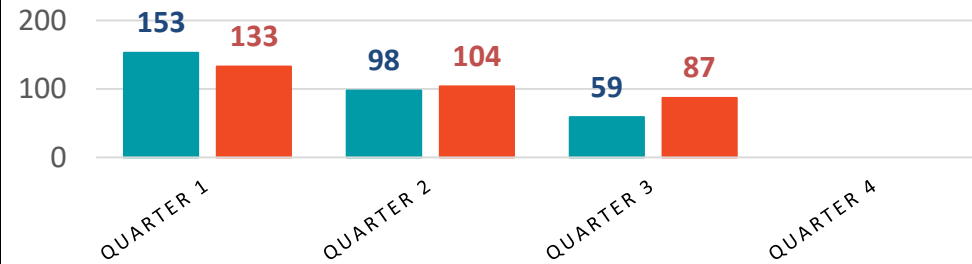
## FILLED POSITIONS

■ 2018 Filled (424) | Externals (287)  
■ 2019 Filled (628) | Externals (423)

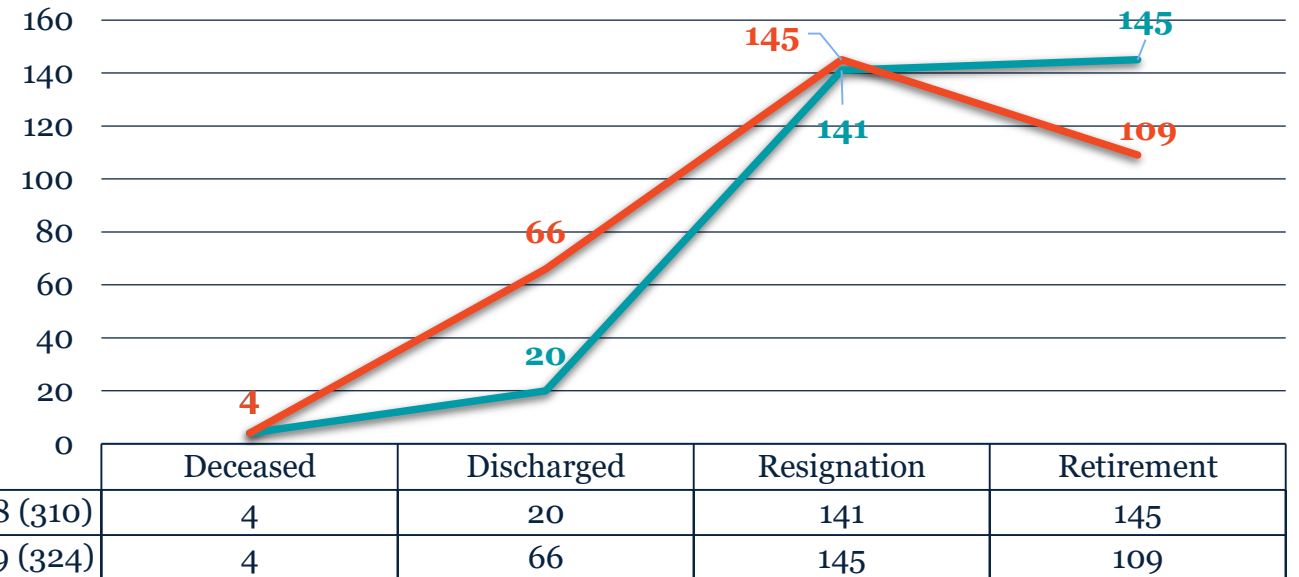
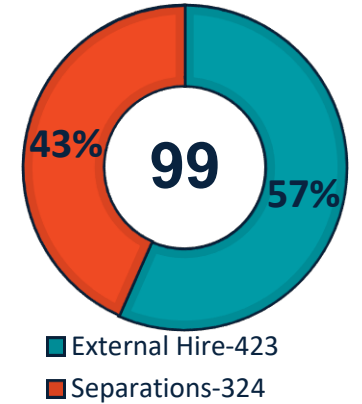


## SEPARATIONS

■ 2018 Separations (310) ■ 2019 Separations (324)



## NET NEW



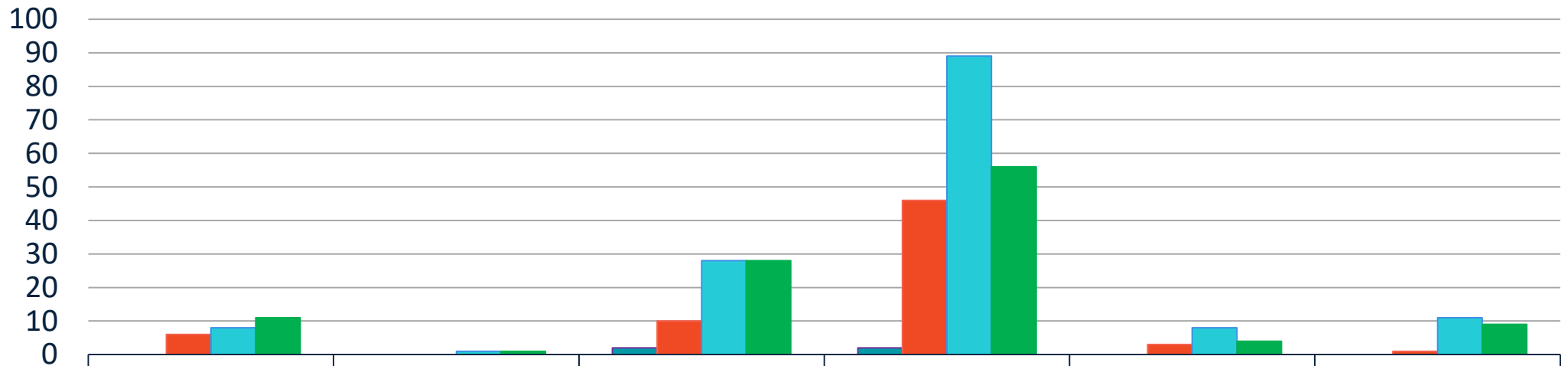
COOK COUNTY  
HEALTH

Does not include Consultants, Registry and House Staff

# CCH HR Activity Report

Thru 07/31/2019

## SEPARATIONS BY CLASSIFICATION - 324



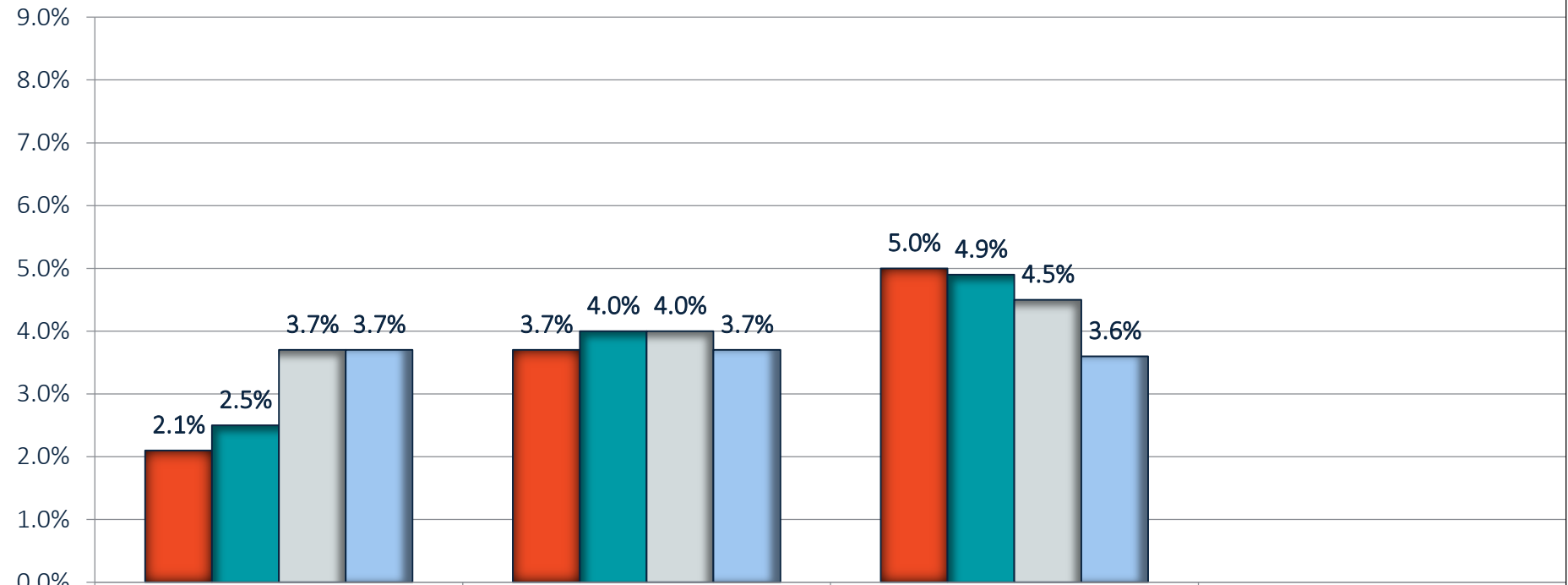
	Finance (25)	HIS (2)	Nurse (68)	Other (193)	Pharmacy (15)	Physician (21)
Deceased (4)			2	2		
Discharged (66)	6		10	46	3	1
Resignation (145)	8	1	28	89	8	11
Retirement (109)	11	1	28	56	4	9





# CCH HR Activity Report – Turnover

CCH TURNOVER  
Turnover Year-to-Date  
Head Count: 6,421



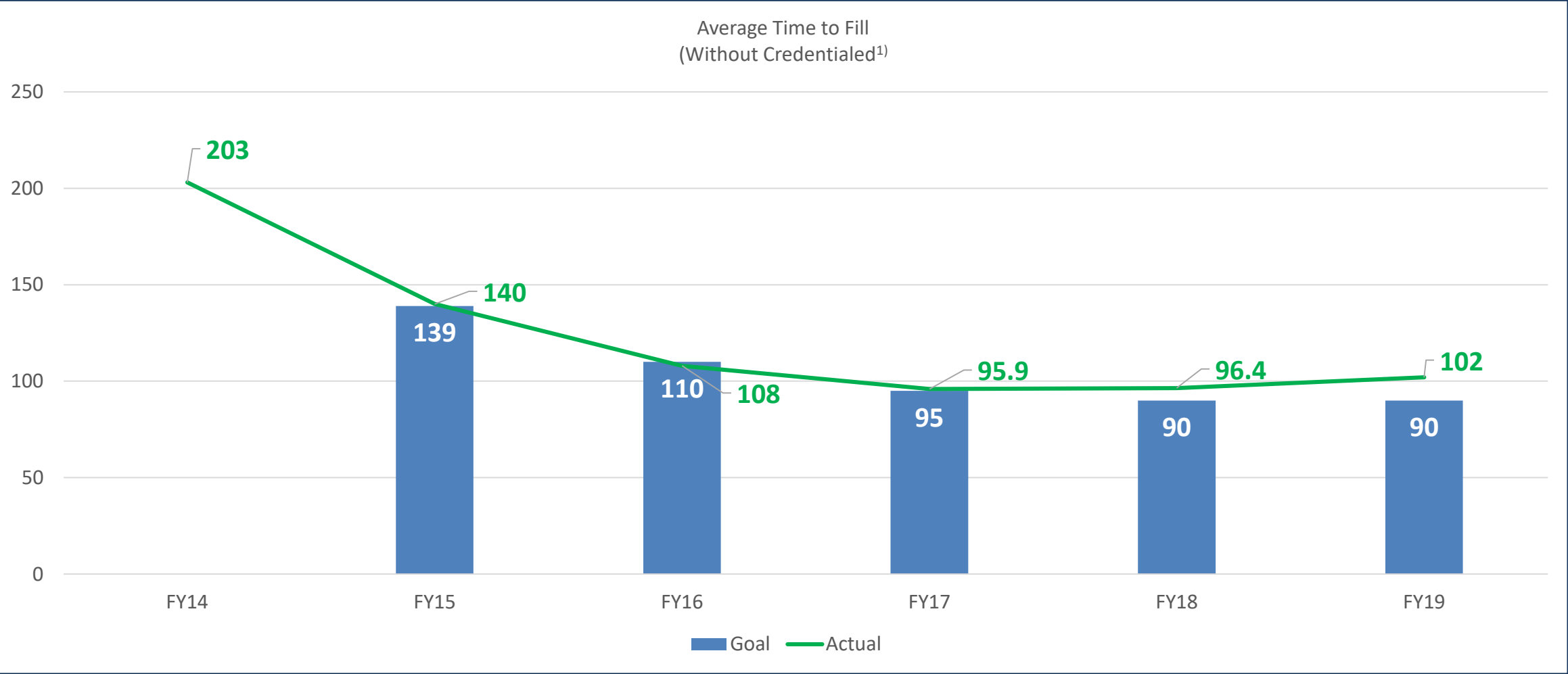
YTD Cumulative Totals:

<div></div> FY19 CCH Turnover	2.1%	3.7%	5.0%	
<div></div> FY18 CCH Turnover	2.5%	4.0%	4.9%	
<div></div> FY17 U.S. IL Health & Hospital Assoc. Turnover Data	3.7%	4.0%	4.5%	
<div></div> FY18 U.S. Dept. of Labor Turnover Data	3.7%	3.7%	3.6%	

Quarter 1	Quarter 2	Quarter 3	Quarter 4
2.1%	3.7%	5.0%	
2.5%	4.0%	4.9%	
3.7%	4.0%	4.5%	
3.7%	3.7%	3.6%	

# CCH HR Activity Report

Improve/Reduce Average Time to Hire\*



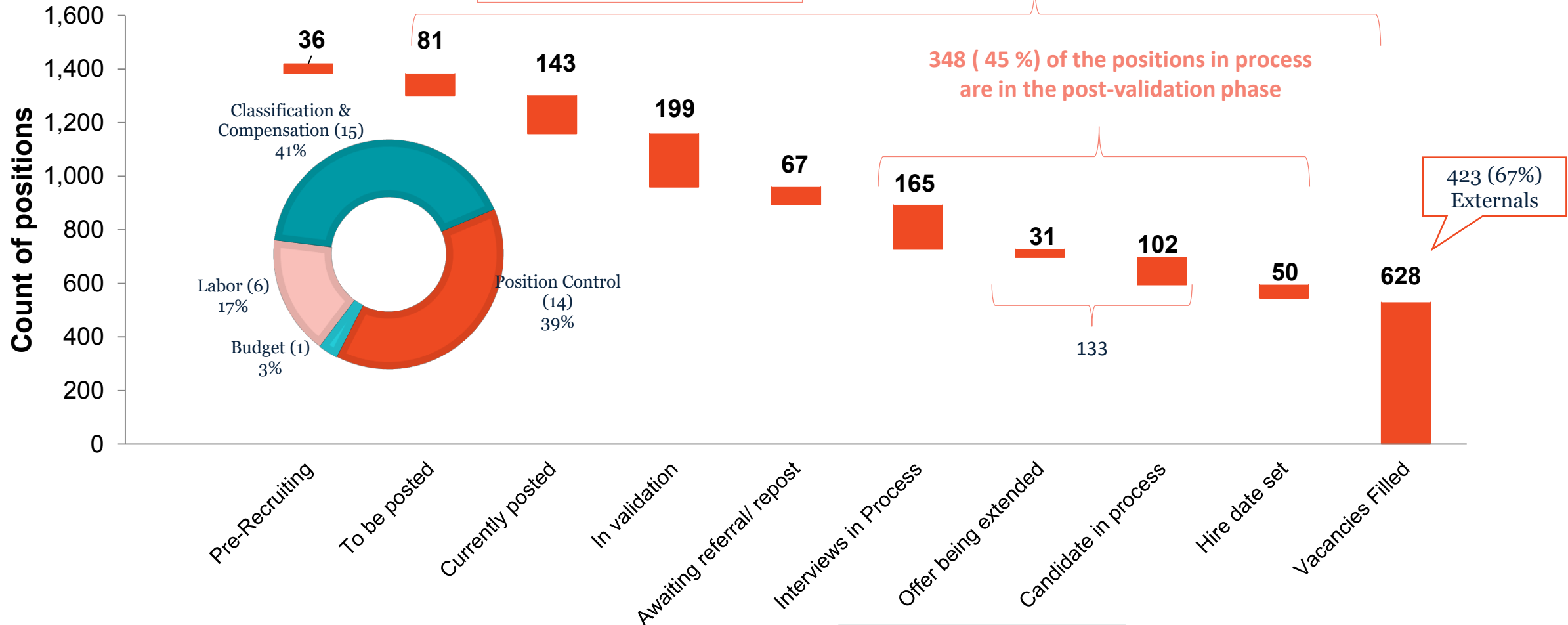
<sup>1</sup>Credentialed Positions: Physicians, Psychologist, Physician Assistant I and Advanced Practice Nurses.

# CCH HR Activity Report – Hiring Snapshot

Thru 07/31/2019

Clinical Positions – 556 / 66%  
Non-Clinical Positions – 282 / 34%

838 Positions in Recruitment



**COOK COUNTY  
HEALTH**

Position Control 36 + Recruitment 838 = 874 Positions in Process



# Thank you.



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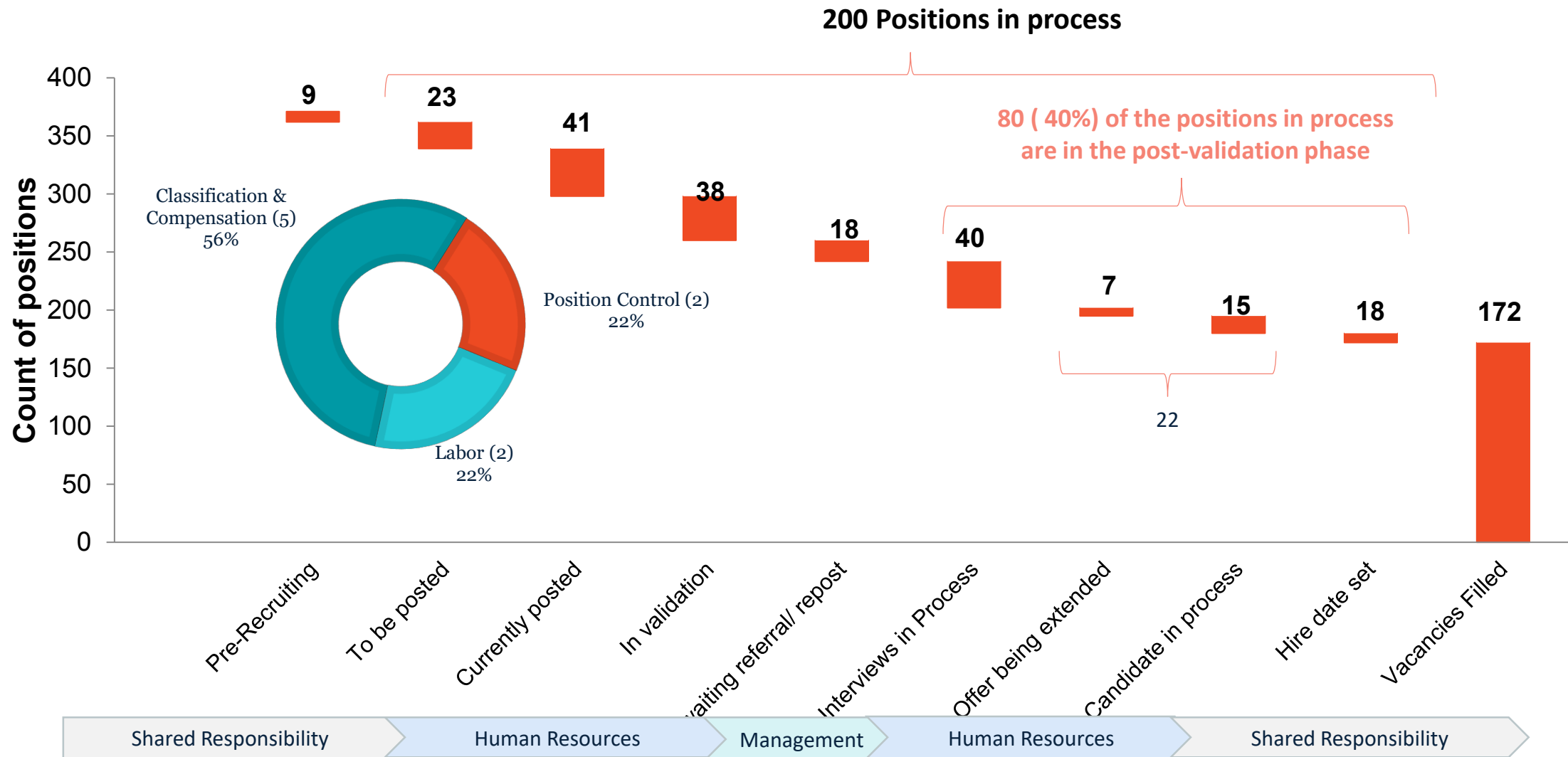
# Appendix



COOK COUNTY  
**HEALTH**

# CCH HR Activity Report – Nursing Hiring Snapshot

Thru 07/31/2019

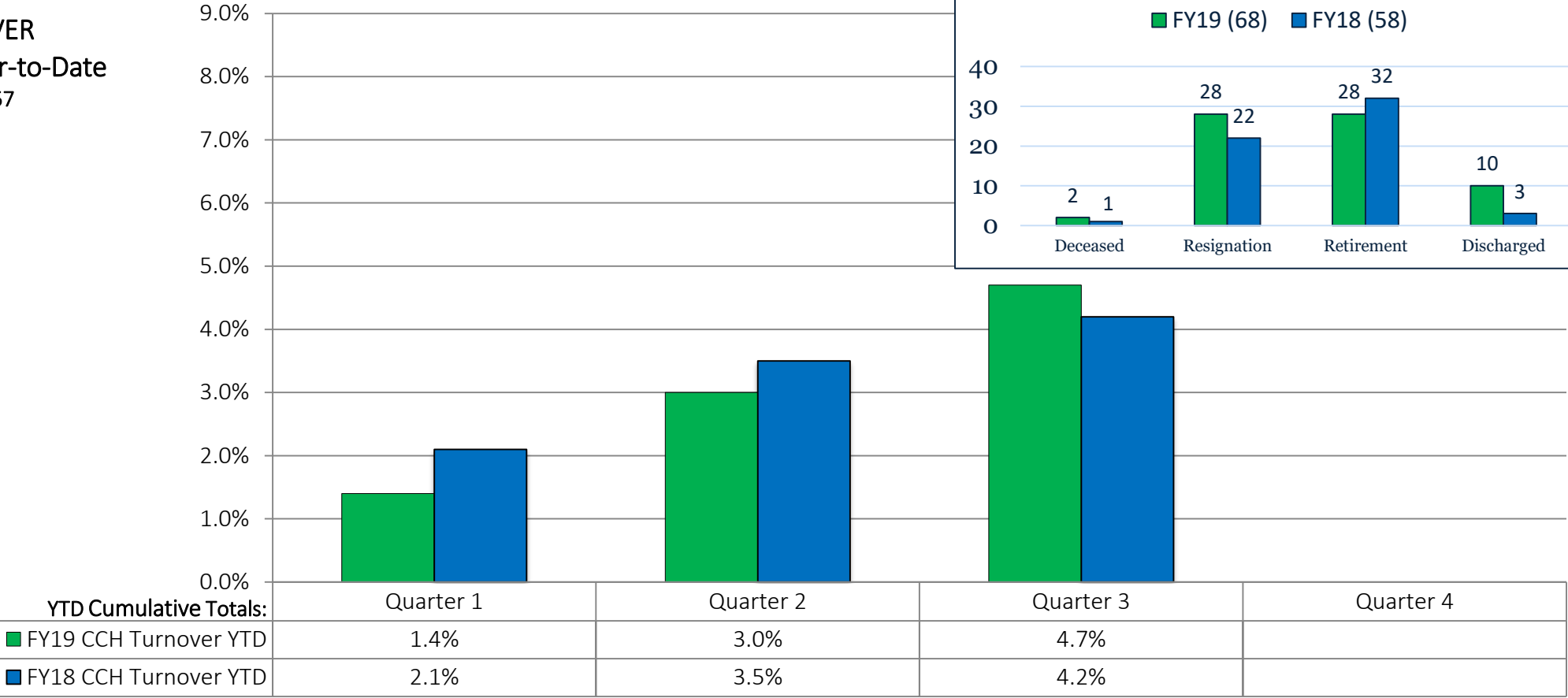


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HEALTH

Position Control 9 + Recruitment 200 = 209 Positions in Process

# Nursing Activity Report – Turnover

**CCH TURNOVER**  
 Turnover Year-to-Date  
 Head Count: 1,457



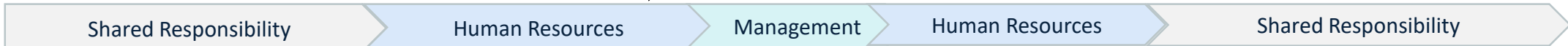
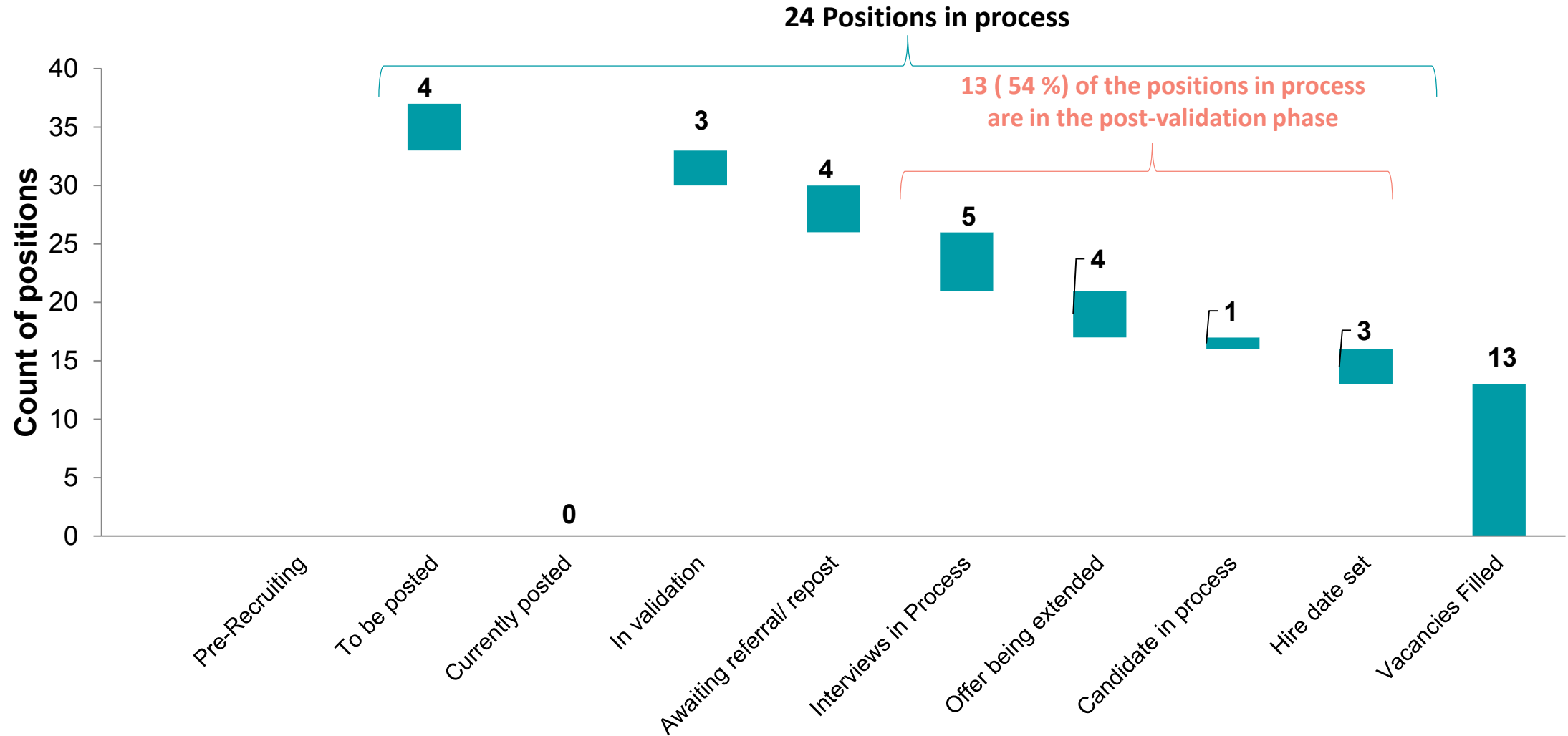
Include Registry

FY19 data is through 07/31/2019



# CCH HR Activity Report – Finance Hiring Snapshot

Thru 07/31/ 2019



**COOK COUNTY**  
**HEALTH**

Position Control 0 + Recruitment 24 = 24 Positions in Process

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ATTACHMENT #2

# CountyCare Metrics

*Prepared for: CCH Board of Directors*

James Kiamos

CEO, CountyCare

August 30, 2019



# Current Membership

Monthly membership as of August 2, 2019

Category	Total Members	ACHN Members	% ACHN
FHP	211,098	17,317	8.2%
ACA	72,019	12,898	17.9%
ICP	29,536	5,933	20.1%
MLTSS	6,023	0	N/A
<b>Total</b>	<b>318,676</b>	<b>36,148</b>	<b>11.3%</b>

**ACA:** Affordable Care Act

**FHP:** Family Health Plan

**ICP:** Integrated Care Program

**MLTSS:** Managed Long-Term Service and Support (Dual Eligible)





# Managed Medicaid Market

Illinois Department of Healthcare and Family Services June 2019 Data

Managed Care Organization	Cook County Enrollment	Cook County Market Share
*CountyCare	317,846	31.6%
Blue Cross Blue Shield	234,462	23.3%
Meridian (a WellCare Co.)	230,594	22.9%
IlliniCare (a Centene Co.)	109,648	10.9%
Molina	66,318	6.6%
*Next Level	46,079	4.6%
<b>Total</b>	<b>1,004,947</b>	<b>100.0%</b>

\* Only Operating in Cook County

Meridian and WellCare (dba Harmony) merged as of 1/1/2019. Pending Merger with Centene (dba IlliniCare)



# 2019 Operations Metrics: Claims Payment

		Performance		
Key Metrics	State Goal	Apr	May	Jun
<b>Claims Payment Turnaround Time</b>				
% of Clean Claims Adjudicated < 30 days	90%	97.3%	95.9%	97.4%
% of Claims Paid < 30 days	90%	84.6%	44.0%	40.7%

# 2018-2019 Operations Metrics:

## Overall Care Management Performance

		Performance		
Key Metrics	Market %	Apr	May	Jun
<b>Completed HRS/HRA (all populations)</b>				
Overall Performance	40%	62.3%	63.0%	63.3%
<b>Completed Care Plans on High Risk Members</b>				
Overall Performance	65%	60.3%	61.9%	61.5%

CountyCare's high-risk percentage exceeds the State's requirement of 2% for Family Health Plan and 5% for Integrated Care Program



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ATTACHMENT #3

# QPS Quality Dashboard



August 23, 2019



COOK COUNTY  
**HEALTH**





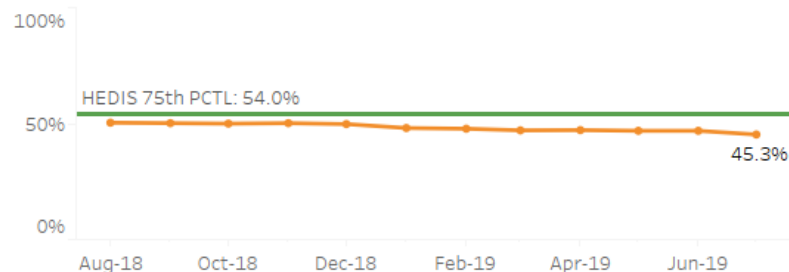
# COOK COUNTY HEALTH

## Quality Dashboard

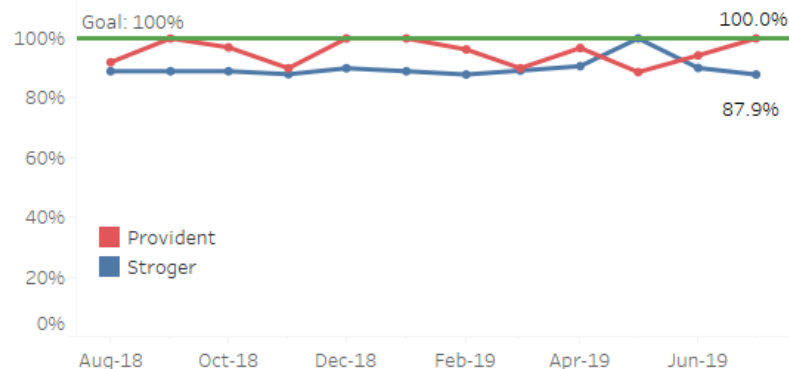
August 23, 2019

### Health Outcomes

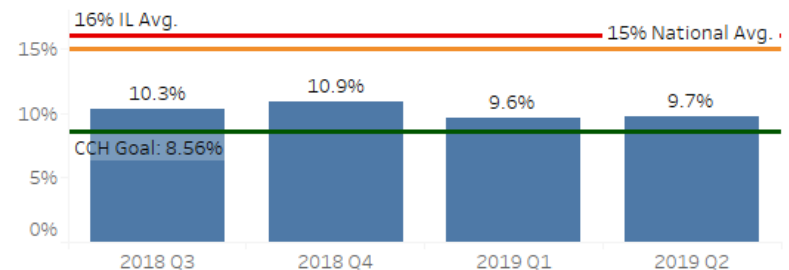
#### HEDIS - Diabetes Management: HbA1c < 8%



#### Core Measure - Venous Thromboembolism (VTE) Prevention

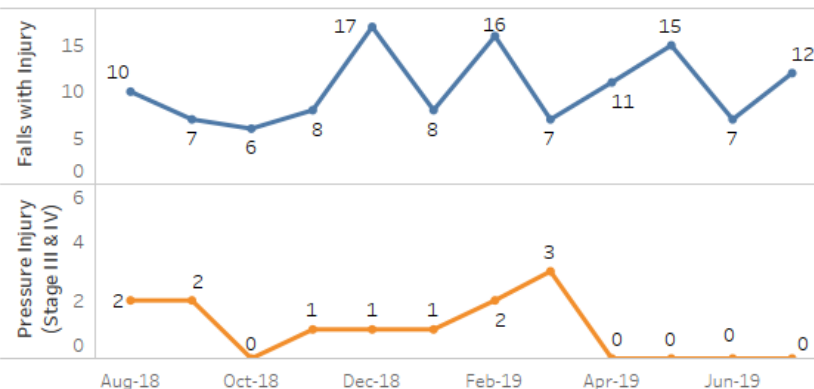


#### 30 Day Readmission Rate

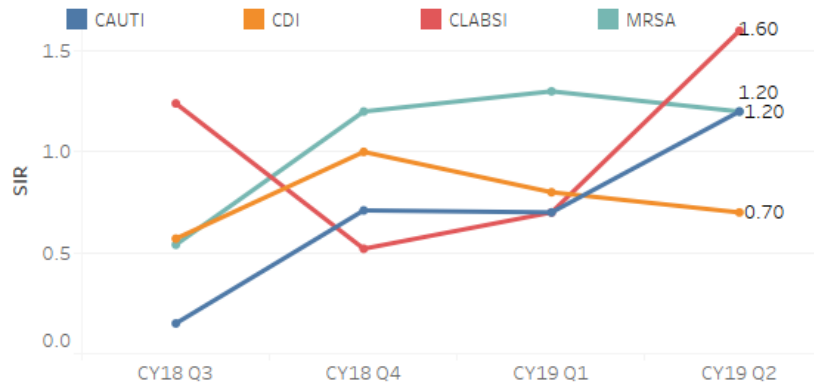


### Patient Safety

#### Hospital Acquired Conditions



#### Hospital Acquired Infections

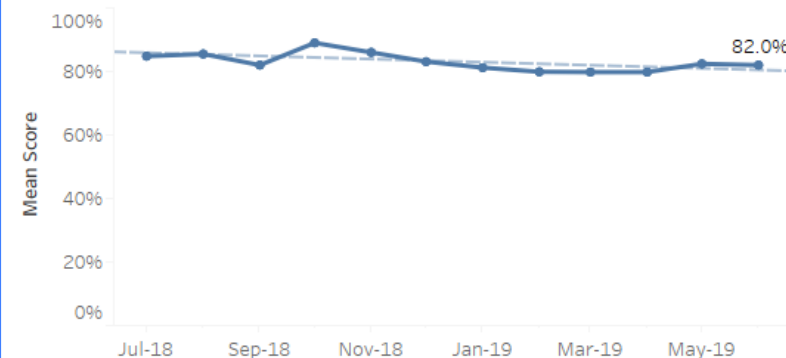


SIR (Standardized Infection Ratio) is a summary measure which compares the actual number of Healthcare Associated Infections (HAI) in a facility with the baseline data for standard population. SIR > 1.0 indicates more HAIs were observed than predicted, conversely SIR of < 1.0 indicates that fewer HAIs were observed than predicted.

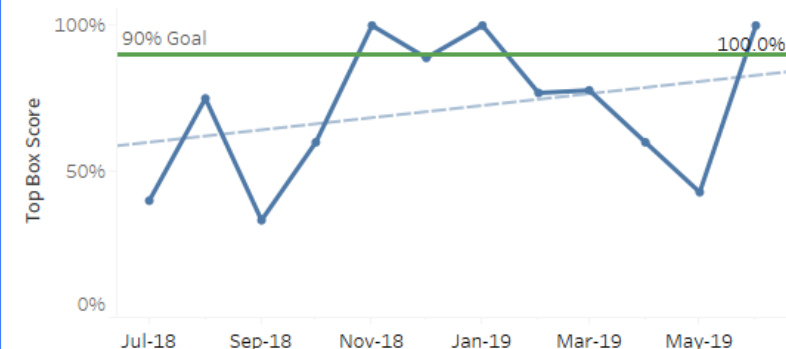
	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
CAUTI	0	1	0	0	1	3	1	1	2	1	2	5
CDI	5	4	2	10	4	4	6	2	6	5	4	4
CLABSI	2	3	0	0	0	2	1	0	2	2	2	3
MRSA	0	1	0	0	1	0	1	0	1	0	0	2

### Utilization

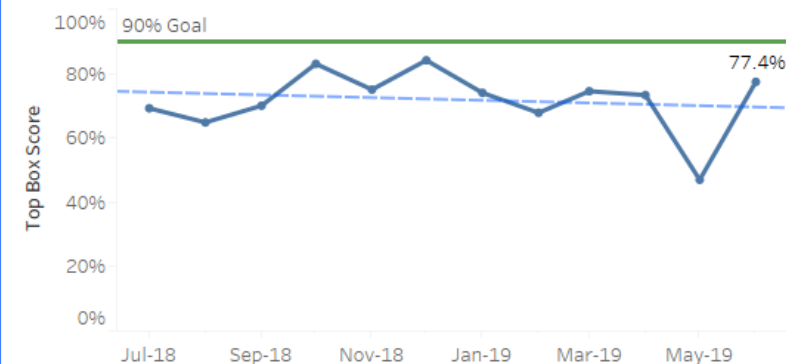
#### ACHN--Overall Clinic Assessment



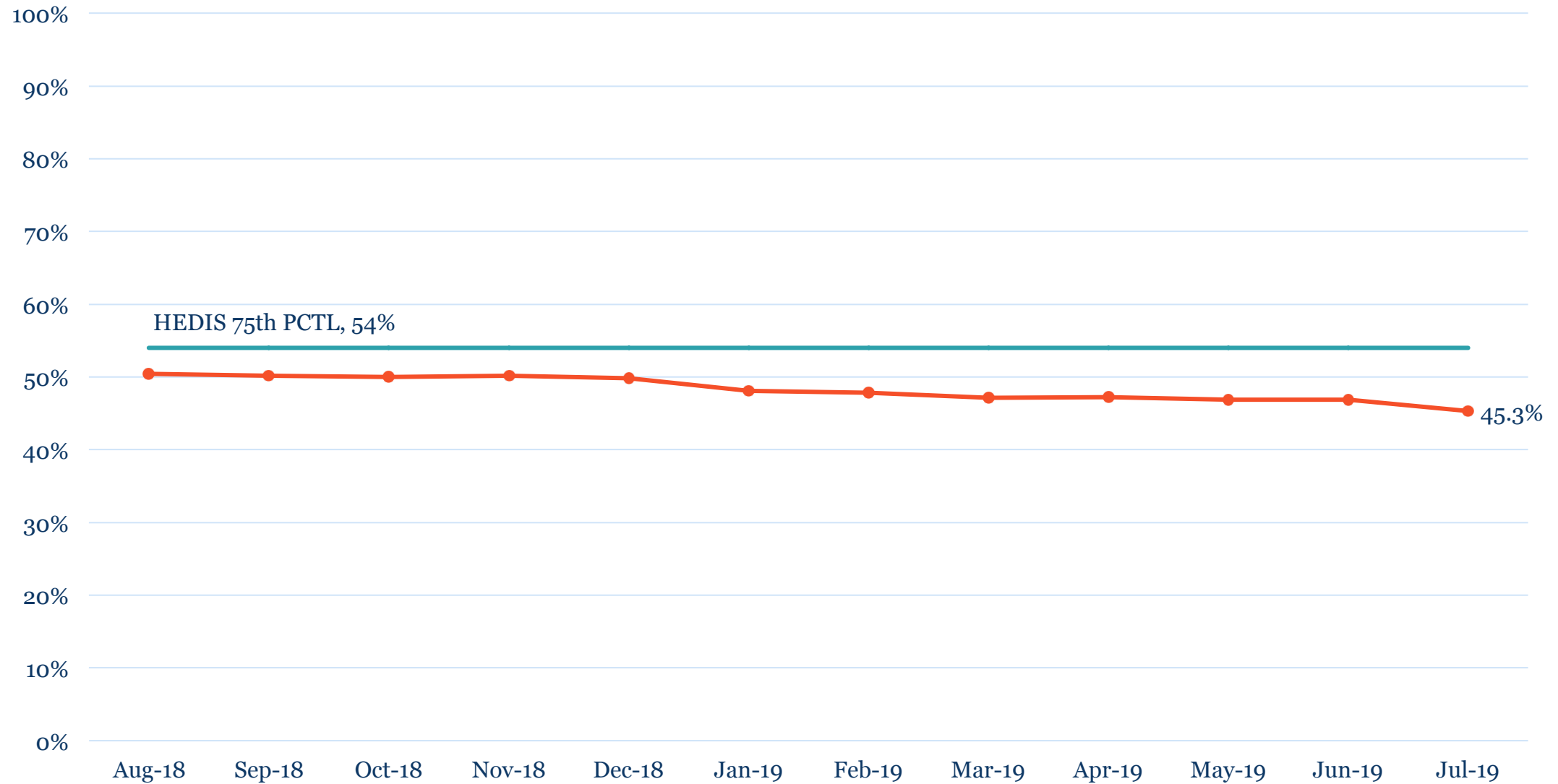
#### Provident--Willingness to Recommend Hospital



#### Stroger--Willingness to Recommend Hospital

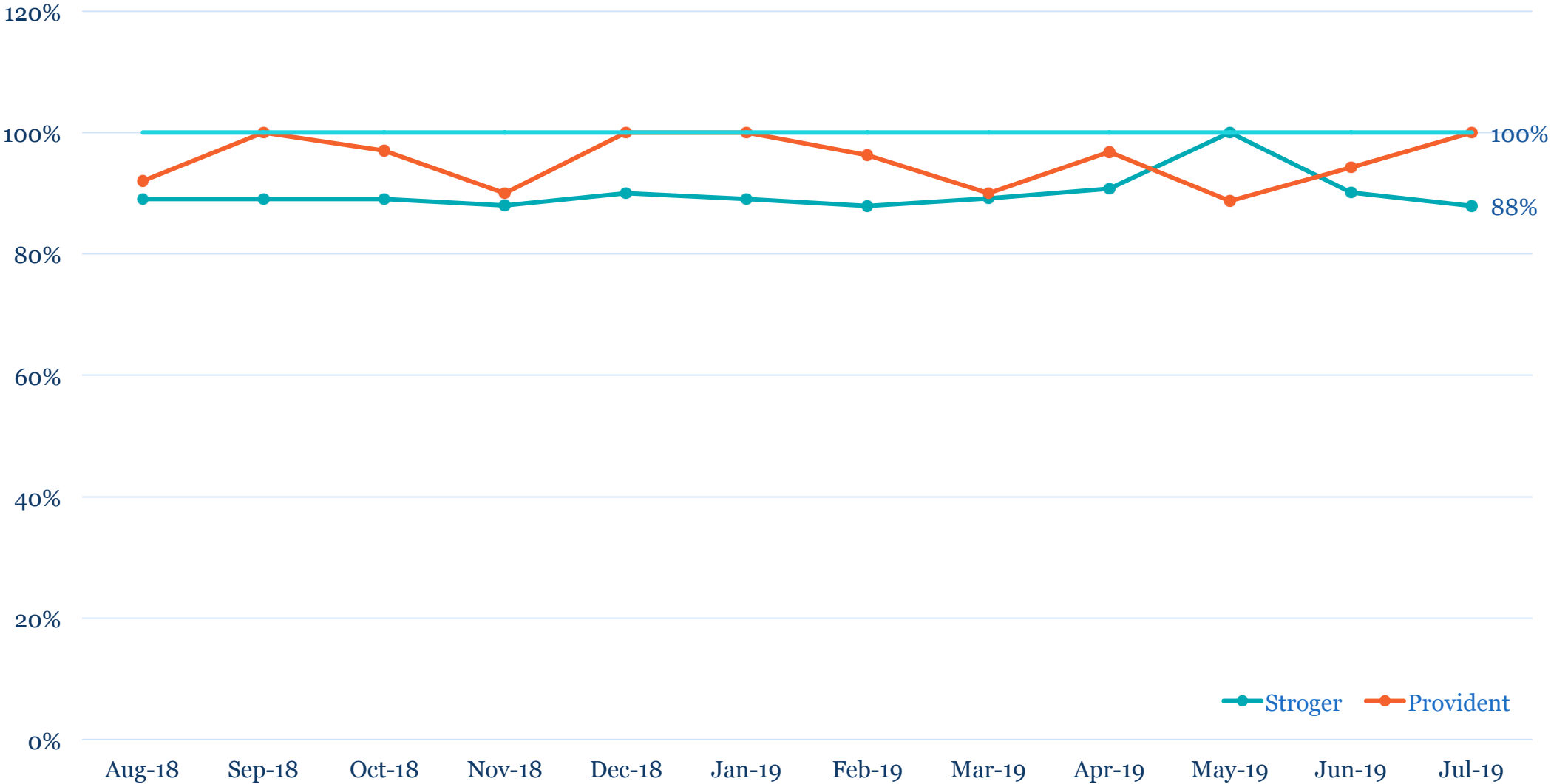


## HEDIS – Diabetes Management: HbA1c < 8%



Source: Business Intelligence

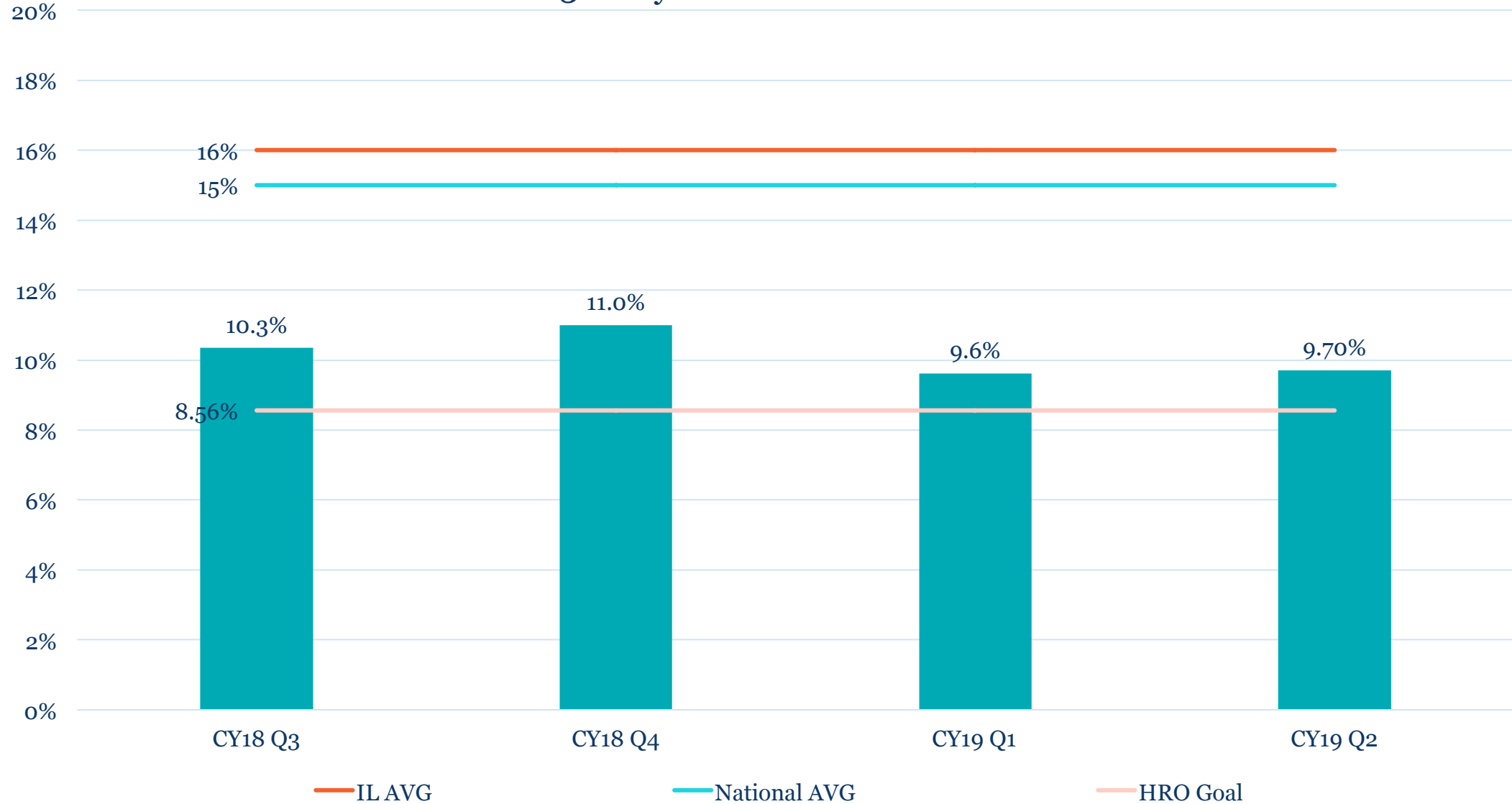
# Core Measure – Venous Thromboembolism (VTE) Prevention



Source: Quality Dept.

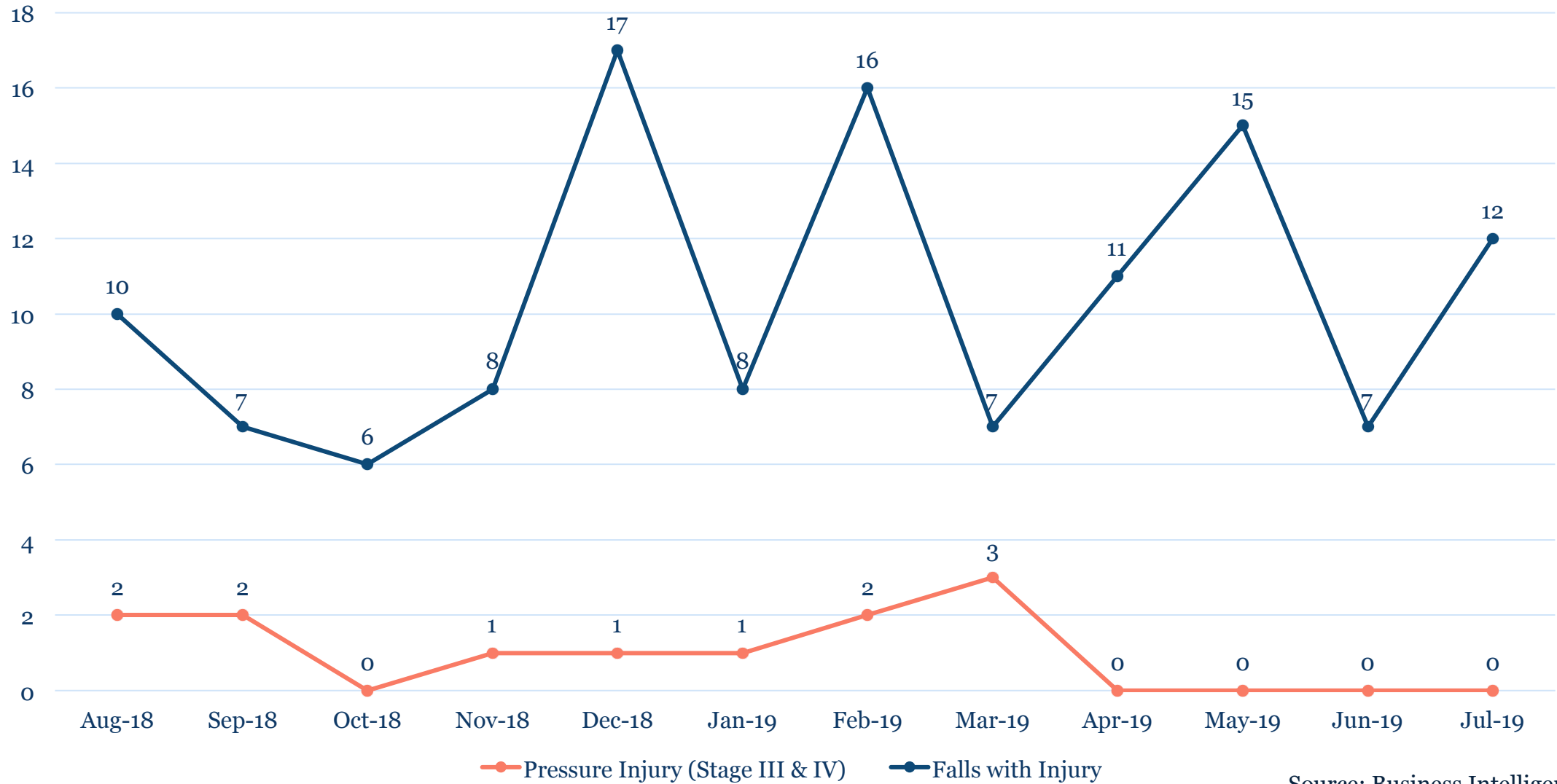


## 30 Day Readmission Rate



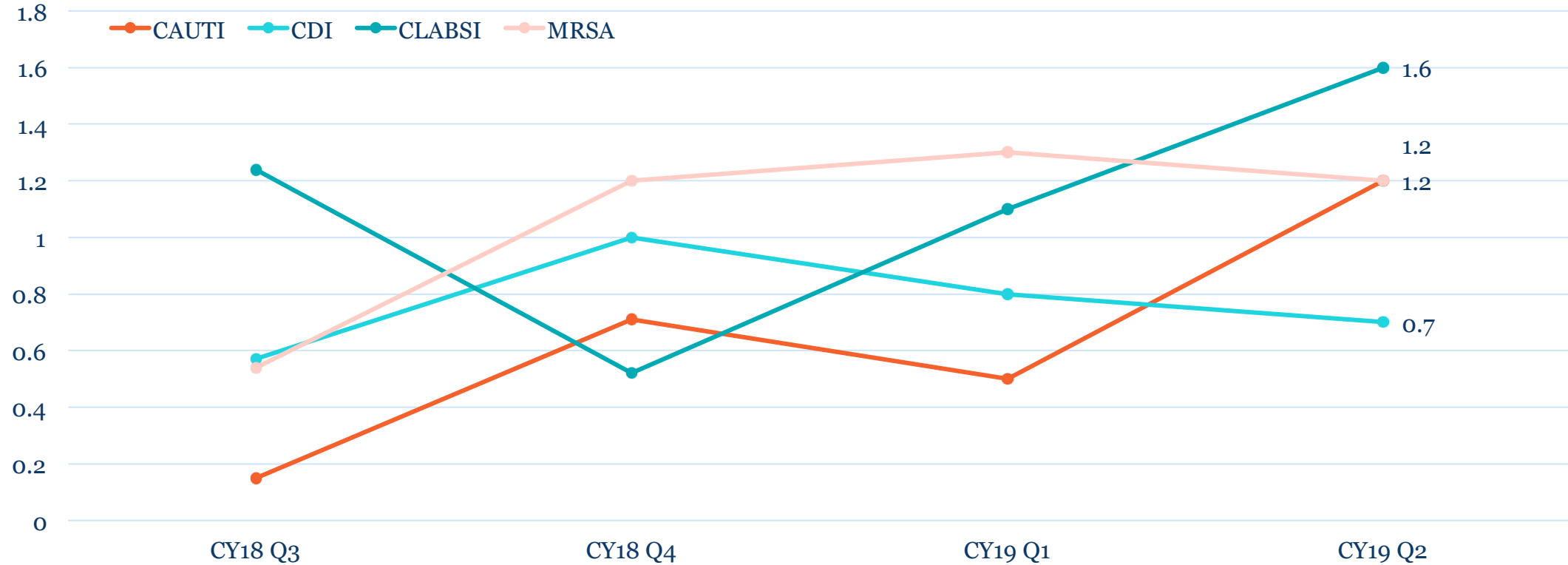
Source: Business Intelligence

## Hospital Acquired Conditions



Source: Business Intelligence

## Hospital Acquired Infections



	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19
CAUTI	0	1	0	0	1	3	1	1	2*	1	2*	5
CDI	5	4	2	10	4	4	6	2	6	5	4	4
CLABSI	2	3	0	0	0	2	1	0	2*	2	2	3
MRSA	0	1	0	0	1	0	1	0	1	0	0	2

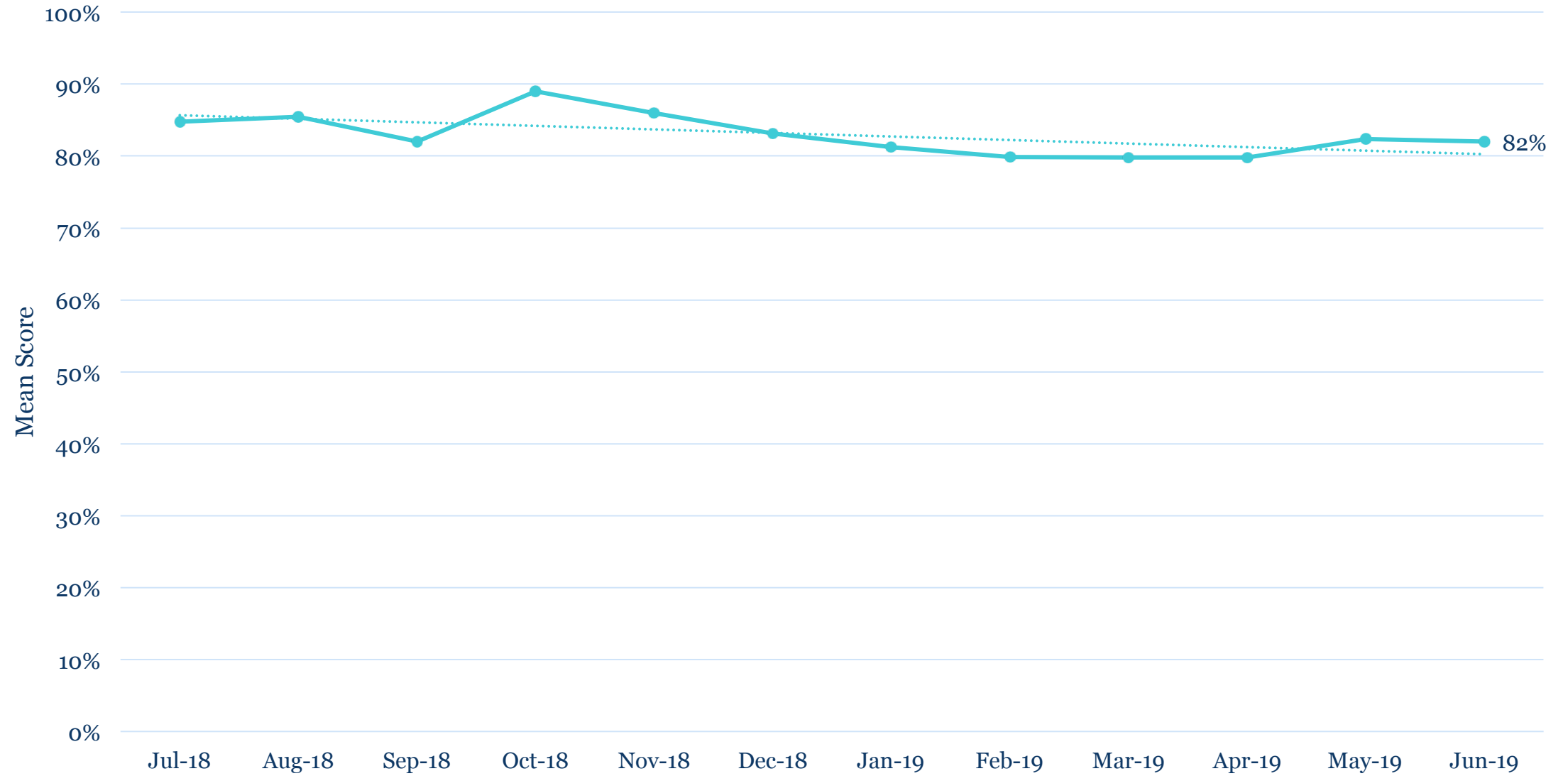
\*Amended

SIR (Standardized Infection Ratio) is a summary measure which compares the actual number of Healthcare Associated Infections (HAI) in a facility with the baseline data for standard population. SIR > 1.0 indicates more HAIs were observed than predicted, conversely SIR of < 1.0 indicates that fewer HAIs were observed than predicted.

Source: Infection Control Dept.

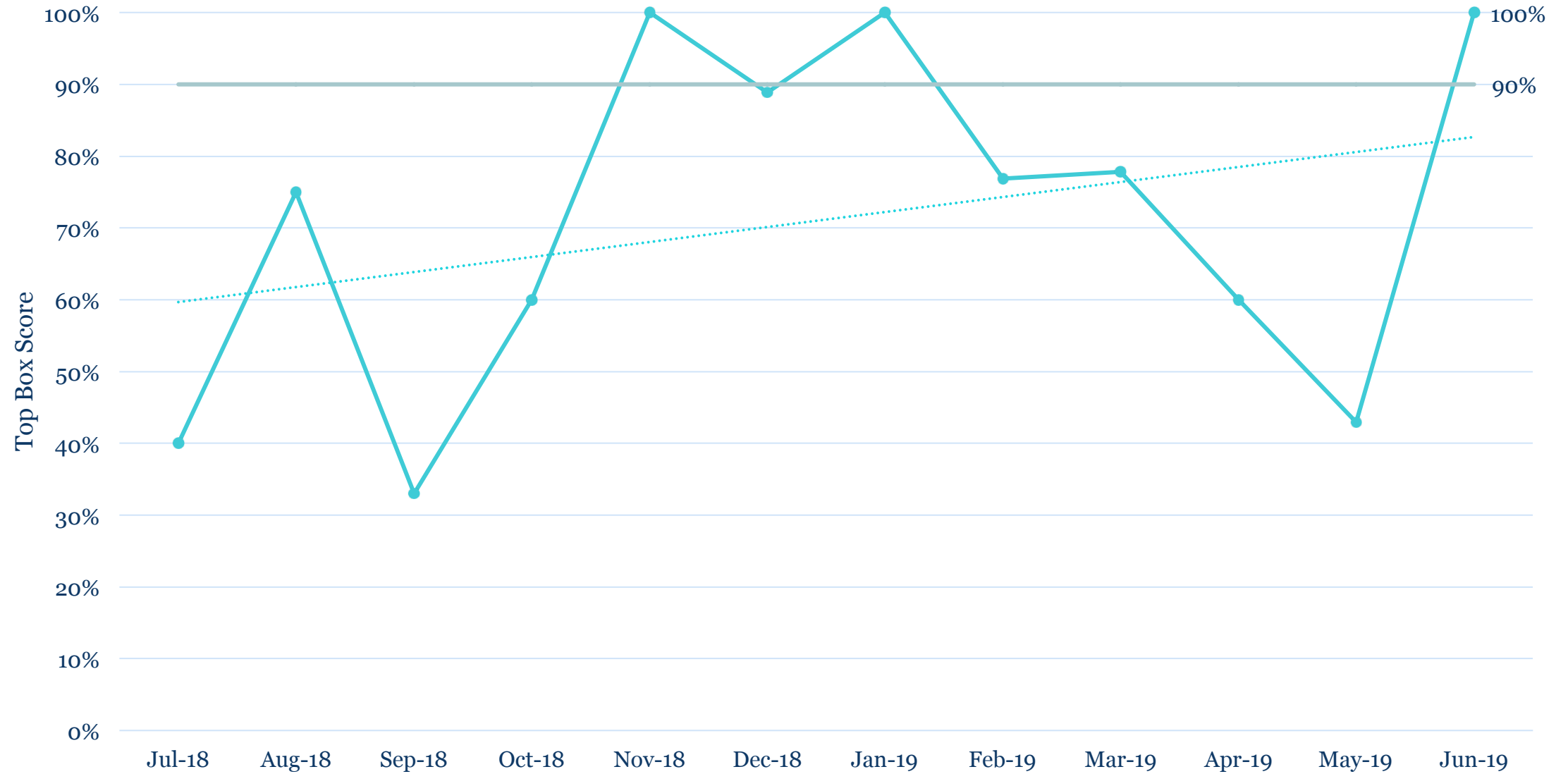


## ACHN – Overall Clinic Assessment



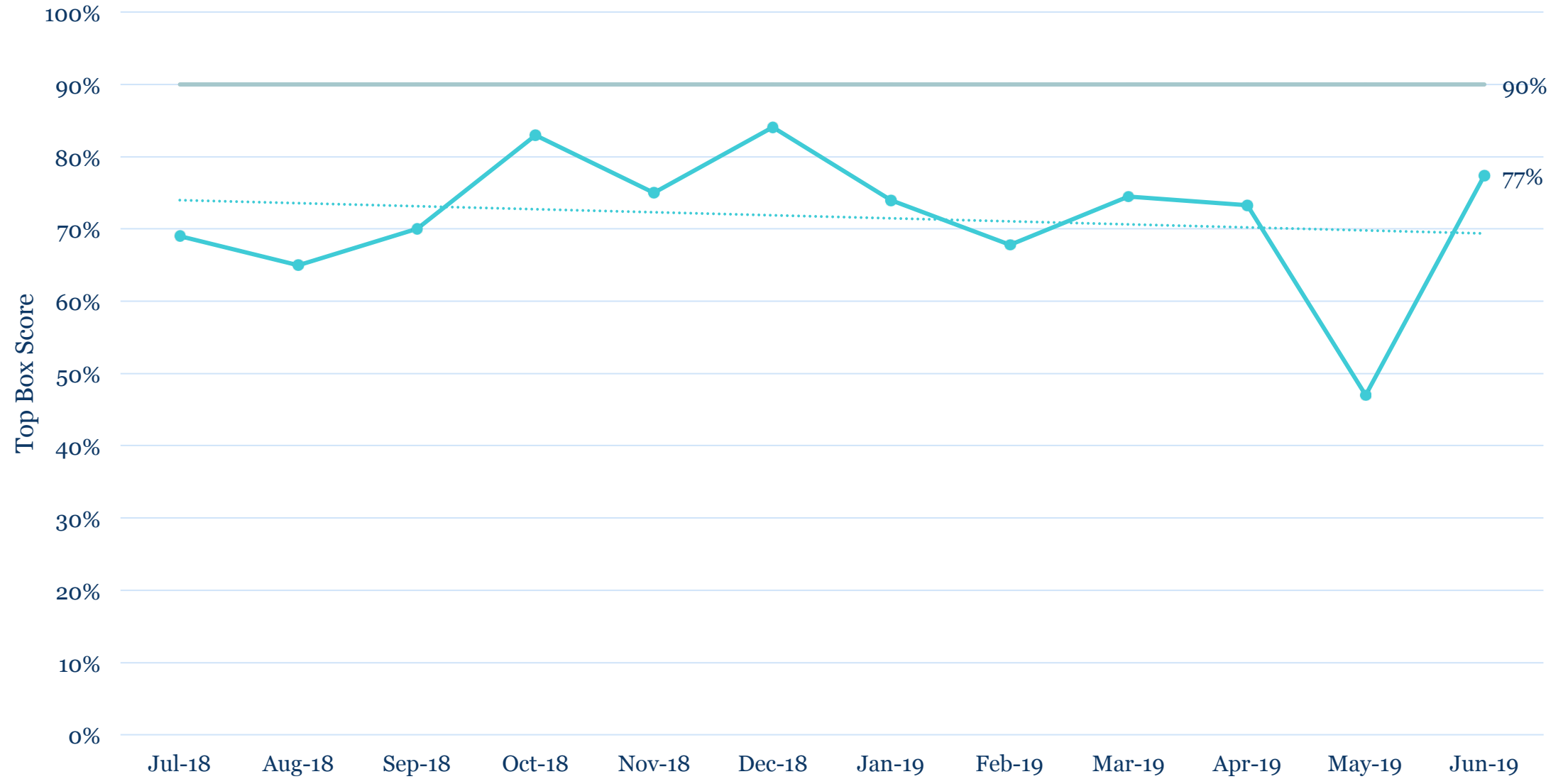
Source: Press Ganey

## Provident – Willingness to Recommend the Hospital



Source: Press Ganey

## Stroger – Willingness to Recommend the Hospital



Source: Press Ganey

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ATTACHMENT #4

# CCH Board Meeting August 2019



**Ekerete Akpan, Chief Financial Officer**

**August 30, 2019**



**COOK COUNTY  
HEALTH**



# Finance & Volumes



Ekerete Akpan, Chief Financial Officer



COOK COUNTY  
**HEALTH**

# Observations on Financials

## Revenues

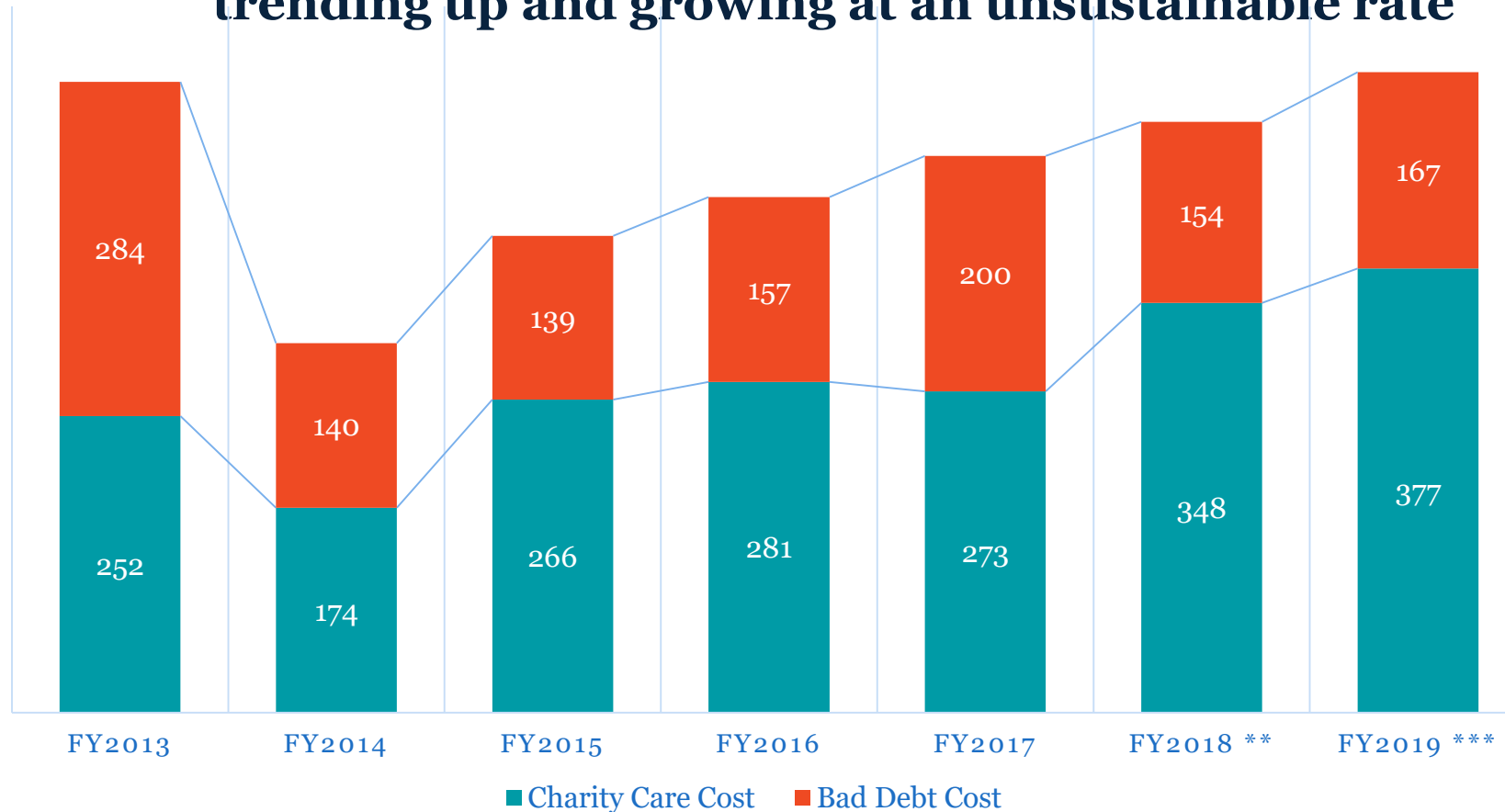
- Net Patient Service Revenues - \$408M, 4% unfavorable to target due to increasing and unsustainable growth in charity care and some lower clinical activity
  - System-wide uninsured numbers
    - Captured by Visits, held at 44%
    - Captured by Charges, held at 40%
- CountyCare Capitation Revenues - \$1.1B, 3% unfavorable to target due to lower than budgeted enrollment as a result of lower State/County MCO enrollment
- Other Revenues - \$2.8M , ongoing review of outstanding payments to ensure we get caught up by year end

## Expenses

- Cost of Pharma - \$46M, favorable by 2% compared to budget

# CCH Uncompensated Care\* (in \$millions)

trending up and growing at an unsustainable rate



\* Uncompensated Care is Charity Care + Bad Debt at cost

\*\* FY2018 Actual from Audited Financials

\*\*\*FY2019 projected



# Income Statement for the Seven Months ending June 2019 (in thousands)

CCH Systemwide	Year-To-Date		Variance	
	Actual	Budget	\$	%
<b><u>Operating Revenue</u></b>				
Net Patient Service Revenue	408,196	424,124	(15,928)	-4%
County Care Access Payments	242,290	-	242,290	n/a
CountyCare Capitation Revenue	1,029,928	1,062,687	(32,759)	-3%
Cook County Access Payments	32,626	32,626	-	0%
Other Revenue	2,849	7,583	(4,735)	-62%
<b>Total Operating Rev</b>	<b>1,715,889</b>	<b>1,527,021</b>	<b>188,869</b>	<b>12%</b>
<b><u>Operating Expenses</u></b>				
Salaries & Benefits	385,278	415,997	30,719	7%
Overtime	25,537	20,884	(4,652)	-22%
Contracted Labor	25,989	19,904	(6,086)	-31%
Pension*	64,125	190,962	126,837	66%
Supplies & Materials	26,359	43,766	17,406	40%
Pharmaceutical Supplies	46,325	47,150	824	2%
Purch. Svs., Rental, Oth.	145,706	195,346	49,640	25%
External Claims Expense	903,919	826,332	(77,587)	-9%
County Care Access Expense	242,290	-	(242,290)	n/a
Insurance Expense	15,564	17,171	1,607	9%
Depreciation	20,244	20,244	-	0%
Utilities	12,393	5,767	(6,627)	-115%
<b>Total Operating Exp</b>	<b>1,913,730</b>	<b>1,803,521</b>	<b>(110,208)</b>	<b>-6%</b>
<b>Operating Margin</b>	<b>(197,841)</b>	<b>(276,501)</b>	<b>78,660</b>	<b>28%</b>
<b>Operating Margin %</b>	<b>-12%</b>	<b>-18%</b>	<b>7%</b>	<b>36%</b>
<b>Non Operating Revenue</b>	<b>115,624</b>	<b>151,398</b>	<b>(35,774)</b>	<b>-24%</b>
<b>Net Income/(Loss)</b>	<b>(82,217)</b>	<b>(125,103)</b>	<b>42,886</b>	<b>34%</b>



# Balance Sheet for the Seven Months ending June 2019 (in thousands)

<b>CCH - Balance Sheet Summary</b>	<b>June 2019</b>	<b>June 2018</b>	<b>Variance</b>
<b><u>Current Assets</u></b>			
Cash and Cash equivalents	97,493	241,676	(144,182)
Property Taxes Receivable	71,407	85,499	(14,092)
Receivables	505,854	181,086	324,767
Inventory	14,115	27,618	(13,503)
<b>Total Current Assets</b>	<b>688,869</b>	<b>535,880</b>	<b>152,990</b>
Refundable Deposit	55,000	50,000	5,000
Intangible Assets-Net	21,981	31,864	(9,883)
Capital Assets	492,893	436,470	56,424
<b>Total Assets</b>	<b>1,258,743</b>	<b>1,054,214</b>	<b>204,530</b>
<b><u>Deferred Outflow</u></b>			
Deferred Outflow	372,465	630,938	(258,473)
<b>Total Deferred Outflow</b>	<b>372,465</b>	<b>630,938</b>	<b>(258,473)</b>

# Balance Sheet for the Seven Months ending June 2019 (in thousands)

<b>CCH - Balance Sheet Summary</b>	<b>June 2019</b>	<b>June 2018</b>	<b>Variance</b>
<b><u>Current Liabilities</u></b>			
Cash Due to Treasurer	17,965	0	17,965
Accounts Payable	127,025	244,201	(117,176)
Accrued Salaries, wages and other liabilities	10,941	12,537	(1,595)
Claims payable	398,916	337,712	61,204
Compensated Absences	6,676	6,654	22
Pension contribution payable	66,386	51,274	15,113
Unearned revenue	15,726	15,985	(259)
Due to State of Illinois	-	(0)	0
Due to other county governmental funds	43	43	-
Due to others	6,994	0	6,994
Self-insurance claims payable	41,897	32,765	9,132
<b>Total Current Liabilities</b>	<b>692,571</b>	<b>701,171</b>	<b>(8,600)</b>
Compensated Absences	37,829	37,705	124
Self-insurance claims payable	137,913	138,832	(919)
Reserve for tax objection suits	12,342	13,003	(661)
Net pension liability	4,838,133	4,504,508	333,625
<b>Total Liabilities</b>	<b>5,718,787</b>	<b>5,395,217</b>	<b>323,570</b>
<b>Deferred Inflow</b>			
Deferred Inflow	757,108	561,886	195,222
<b>Total Deferred Inflow</b>	<b>757,108</b>	<b>561,886</b>	<b>195,222</b>
<b>Net position</b>			
Contributed Capital	500,687	445,806	54,881
Unrestricted	(5,345,373)	(4,754,014)	(591,360)
<b>Total net position</b>	<b>(4,844,686)</b>	<b>(4,308,208)</b>	<b>(536,478)</b>



# Financial Metrics

Metric	As of end June-18/YTD	As of end June-19/YTD	CCH Target	Best Practice Target
Days Cash On Hand*	34	13	60	204.7
Operating Margin**	-6.0%	-9.1%	-5.4%	2.7%
Overtime as Percentage of Gross Salary***	7.6%	7.1%	5.0%*	
Average Age of Plant (Years)****	24.4	23.2	10.7	11.2

\*Days Cash in Hand – Point in time i.e. as of end of each month. Note State owed CCH \$298M in payments as of end June 2019 Moody's 204.7%

\*\*Excludes Pension Expense-Target based on compare group consisting of 'like' health systems : Alameda Health System, Nebraska Medical Center, Parkland Health & Hospital System, and UI Health. (**Best Practice Target**)-Moody's report, August 2017 2.7%

\*\*\*Overtime as percentage of Gross Salary – CCH target 5% , Moody's 2% Report, August 2017

\*\*\*\* Average age of plant (years) (**Best Practice Target**)-Moody's report, August 2017 11.2 years



# Revenue Cycle Metrics

Metric	Average FYTD 2019	May-19	June-19	July-19	CCH Benchmark/Target	Best Practice Target
Average Days in Accounts Receivable <i>(lower is better)</i>	98	93	97	102	45.85 – 54.9*	47.8**
Discharged Not Finally Billed Days <i>(lower is better)</i>	11	10.5	12	12	7.0	
Claims Initial Denials Percentage <i>(lower is better)</i>	20%	19%	17%	15%	20%	

## Definitions:

**Average Days in Accounts Receivable:** Total accounts receivable over average daily revenue

**Discharged Not Finally Billed Days:** Total charges of discharge not finally billed over average daily revenue

**Claims Initial Denials Percentage:** Percentage of claims denied initially compared to total claims submitted.

\* Source HFMA Key Hospital Statistics and Ratio Margins – Posted 2014

\*\* *(Best Practice Target)*-Moody's report, August 2017 47.8 days



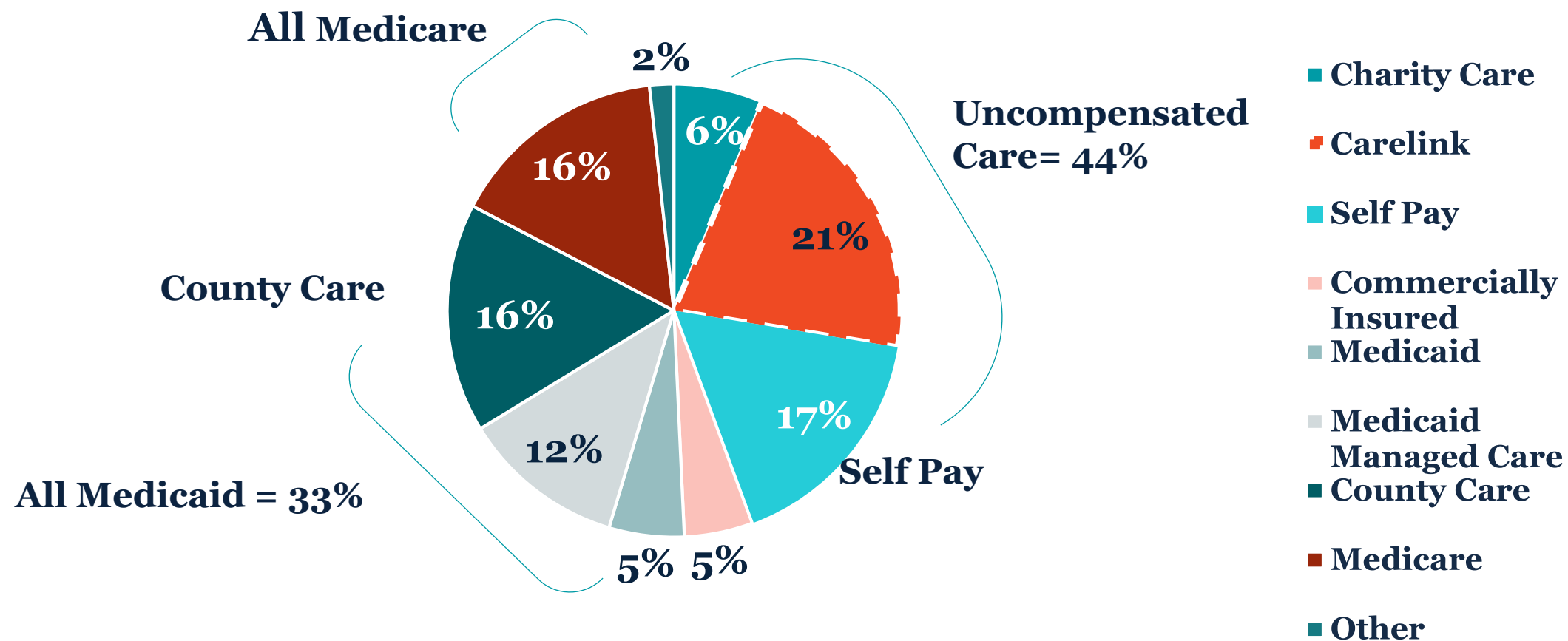


# Clinical Activity Observations

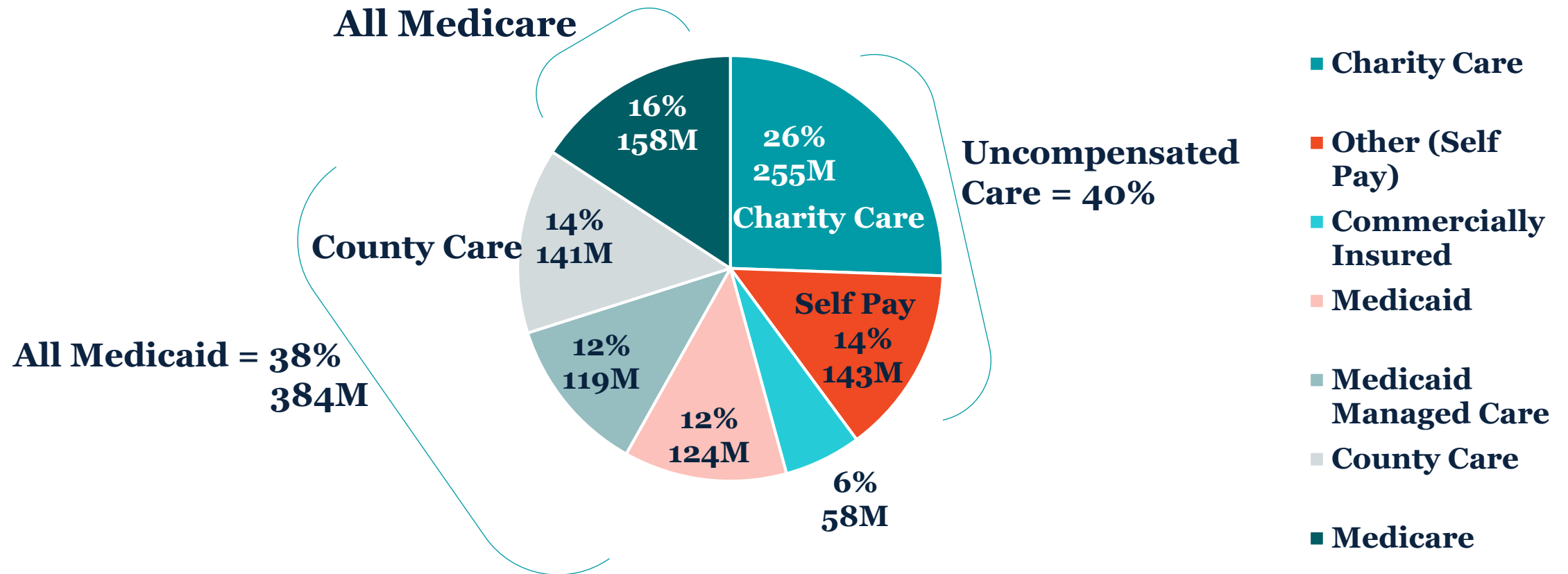
- Primary Care visits are up by 9% versus FY18, and up 4% versus FY19 target
- Specialty Care visits are up by 4% versus FY18, and down 1% versus FY19 target
- Surgical Cases are down by 4% versus FY18, and down 9% versus FY19 target
- Inpatient Discharges are down 8% versus FY18
- Emergency Department visits are down 1% versus FY18
- Deliveries are up by 4% versus FY18, and down 7% versus FY19 target
- CMI is up by 6% versus FY2018



# System Payor Mix By Visit as of June 2019



# System Payor Mix By Charges as of June 2019



# Questions?



COOK COUNTY  
**HEALTH**

Cook County Health and Hospitals System  
Minutes of the Board of Directors Meeting  
August 30, 2019

ATTACHMENT #5

# FY2020 Proposed Preliminary Budget and Financial Forecast

Dr. Jay Shannon, CEO

Ekerete Akpan, CFO

August 30, 2019



COOK COUNTY  
**HEALTH**





**Uncompensated Care =  
Bad Debt + Charity Care**



**COOK COUNTY  
HEALTH**

# Uncompensated Care Trends in the US

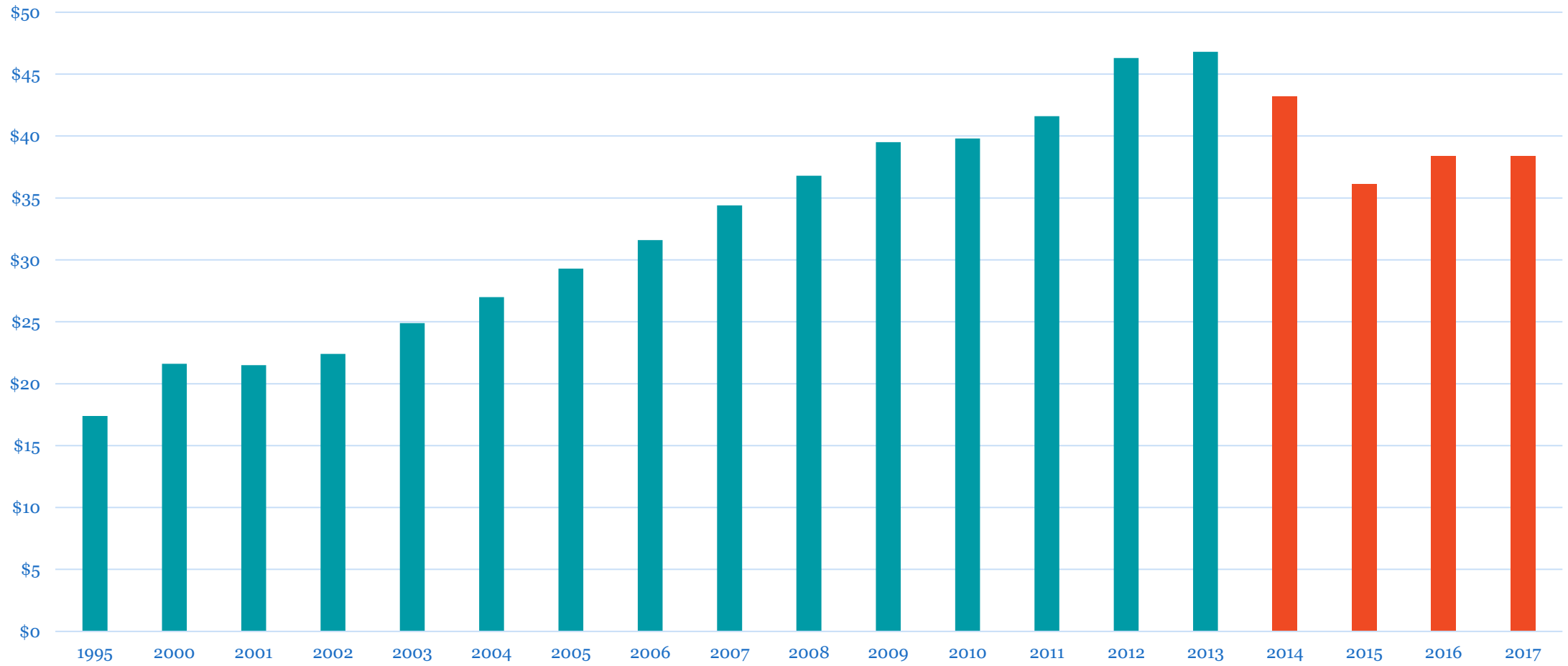
Uncompensated care (bad debt + charity care) costs increased in 2016, for the first time since the 2014 expansion of Medicaid. From 2015 to 2016, uncompensated care costs increased by \$2.3B (6.4%) from \$36.1B to \$38.4B.

Source: American Hospital Association, [Uncompensated Hospital Care Cost Fact Sheet](#), January 2019.



# Uncompensated Care

Data from more than 5,000 hospitals throughout the US



**COOK COUNTY**  
**HEALTH**

\* Uncompensated Care = **Bad Debt** + Charity Care.

\*\* 2014 marks the Affordable Care Act Medicaid expansion.

Source: American Hospital Association, [Uncompensated Hospital Care Cost Fact Sheet](#), January 2019.

# Bad Debt Is On The Rise Throughout the Nation

The hospitals with the most bad debt are part of large safety-net systems in urban areas:

1. Parkland Memorial Hospital, Dallas, Texas
2. Jackson Memorial Hospital, Miami, Florida
3. Grady Memorial Hospital, Atlanta, Georgia
4. UF Health Jacksonville, Jacksonville, Florida
5. John H. Stroger, Jr. Hospital, Chicago, Illinois

Source: [Definitive Healthcare](#)

# Bad Debt Is On The Rise Locally



Feel like the hospital is shaking you down over that bill? It probably is.

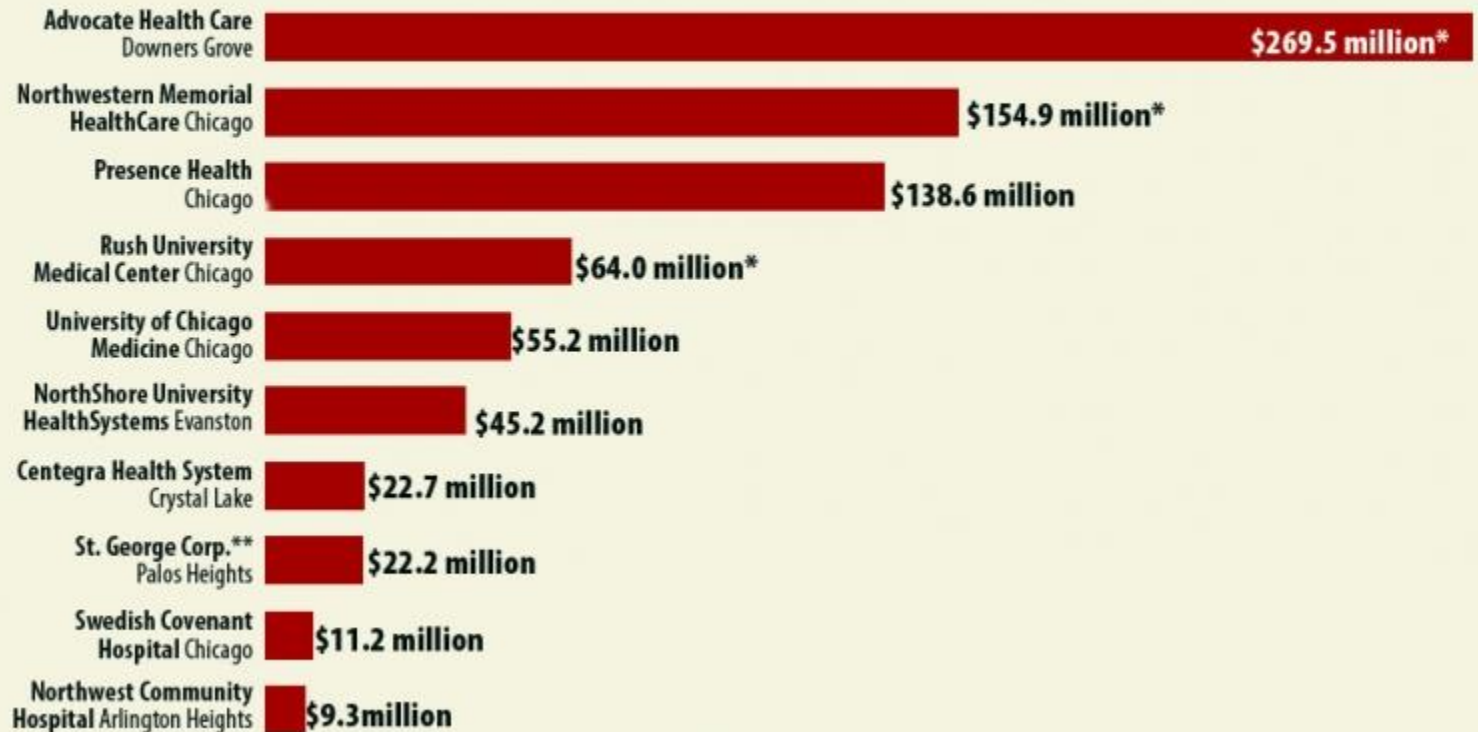
By [Brigid Sweeney](#) March 24, 2017

Even as the number of Americans without health insurance is at a record low, Chicago hospitals are wrestling with a metastasizing problem: bad debt.

## BURDENED BY BAD DEBT

At 10 of the largest Chicago-area hospitals and health systems, unpaid bills comprise a significant line item. Experts say patients are struggling to pay costs associated with high-deductible health care plans.

**UNCOLLECTIBLE HOSPITAL DEBT** Bad debt carried by 10 Chicago-area hospitals and hospital systems. Figures are for fiscal 2015 unless otherwise noted.



Source: Hospital financial statements

\*2016 figure

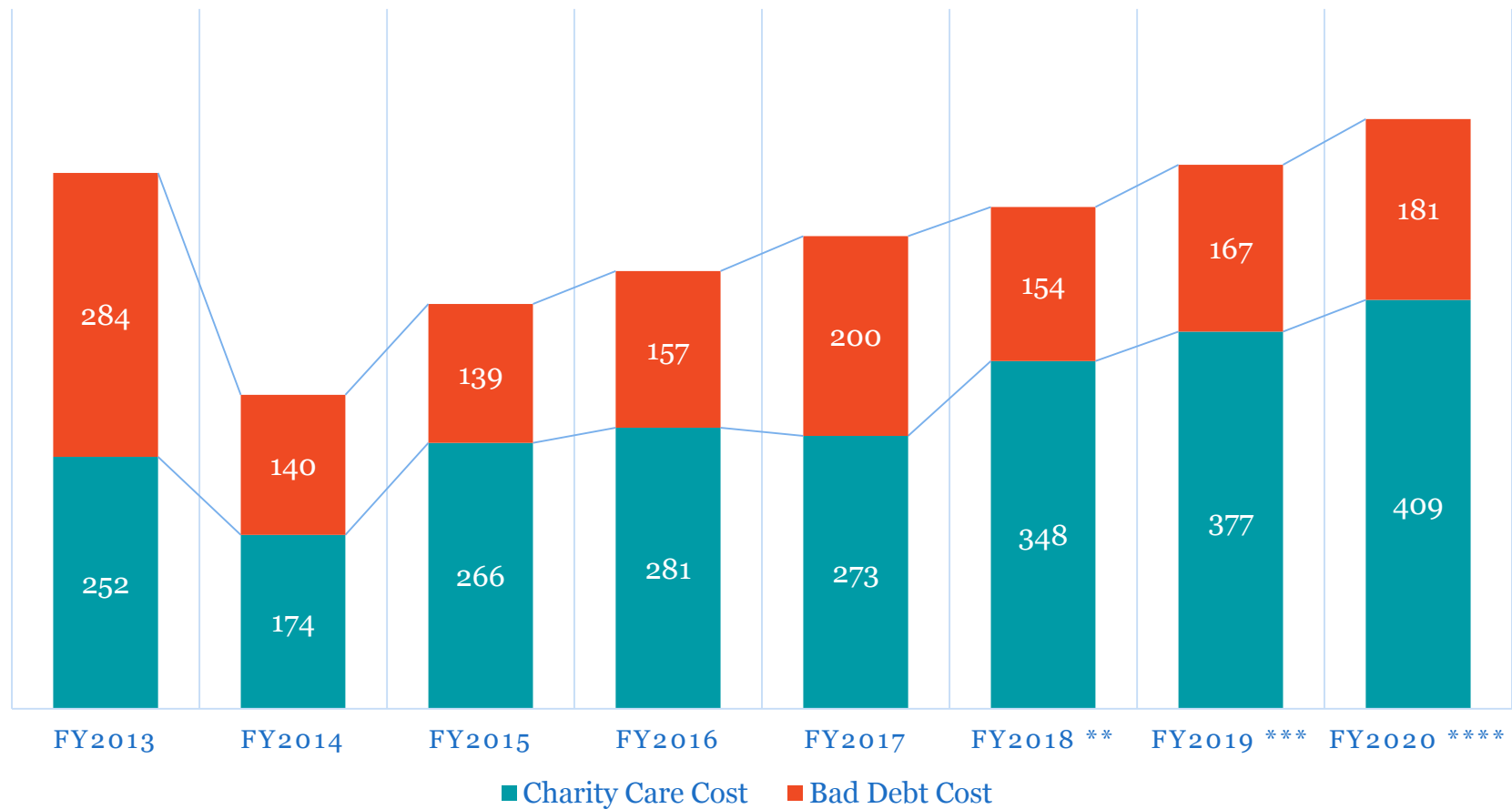
\*\*owner of Palos Community Hospital

Note: Government-run hospitals not included.



COOK COUNTY  
**HEALTH**

# CCH Uncompensated Care\* (in millions)



\* Uncompensated Care is Charity Care + Bad Debt at cost

\*\* FY2018 Actual from Audited Financials

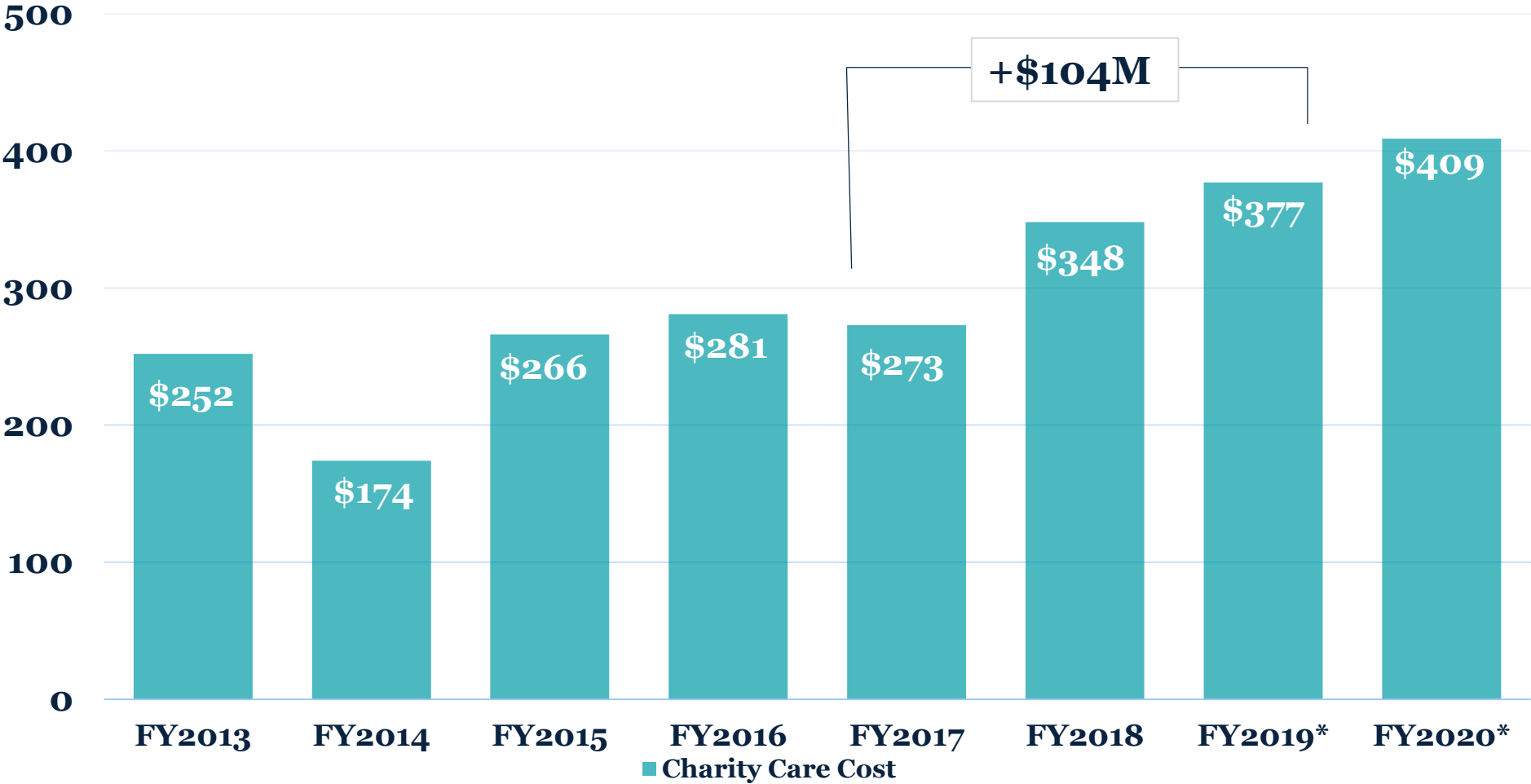
\*\*\*FY2019 projected

\*\*\*\*FY2020 Projected



# CCH Charity Care at Cost

(in millions)



*\*Projections based on current trends*

# New Model for the Uninsured

## Direct Access Program Launched in 2017

More than 31,000  
individuals are enrolled  
in the program;  
87% with income  $\leq$  200%  
Federal Poverty Level.

## WBEZ91.5

Cook County Working On A Managed Health Care Plan For  
Uninsured Residents  
*September 14, 2016*

## CHICAGO SUN-TIMES

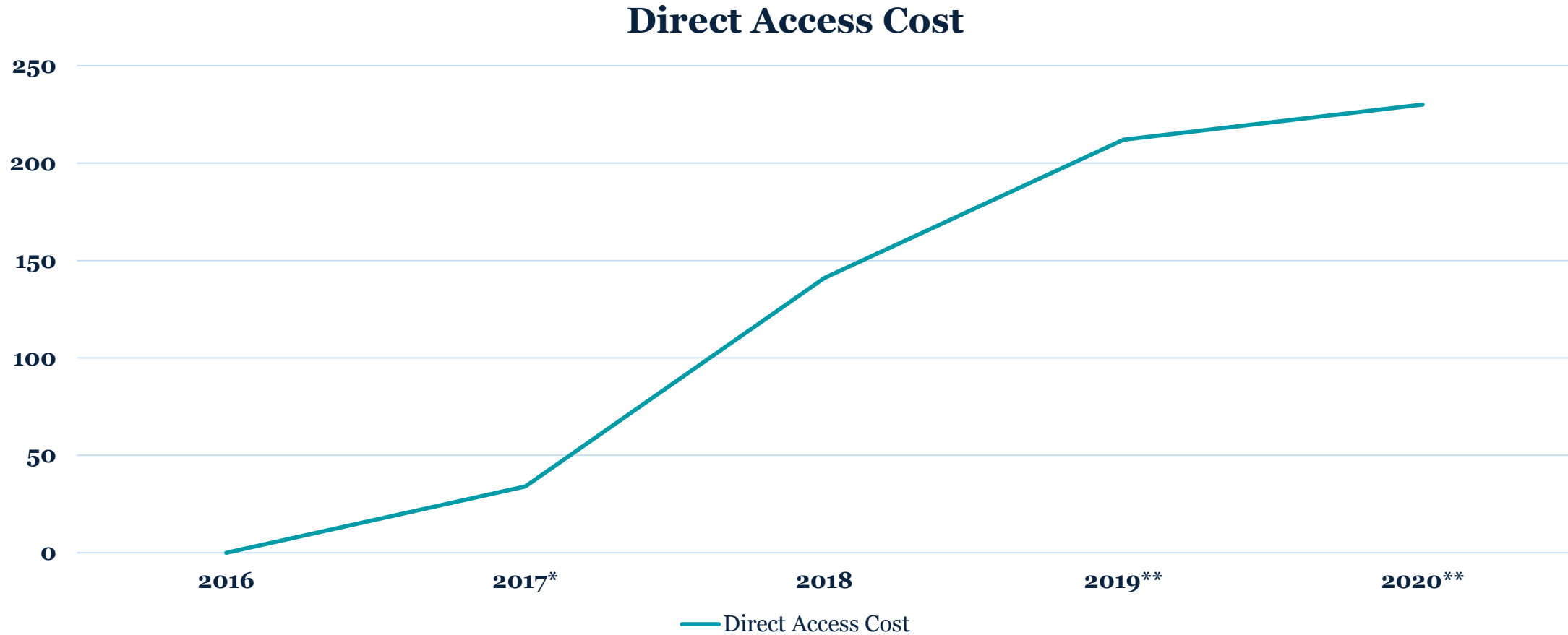
Cook County launches new program for the uninsured  
*September 14, 2016*

## Chicago Tribune

Cook County to start program to help uninsured get health care  
*September 14, 2016*

# Cost of Direct Access Program (in millions)

All costs absorbed by CCH



# Charity Care in Cook County

	2013 Charity Care (Pre-ACA)	2017 Charity Care
All Hospitals in Cook County	\$690M	\$554M
Stroger and Provident	\$257M	\$273M

*Source: IDPH Hospital Profiles 2013, 2017*



# FY2019 Accomplishments



COOK COUNTY  
**HEALTH**

# FY2019 Accomplishments

- 16% increase in primary care visits over FY19 target. Majority of growth due to growth in uninsured demand.
- Provision of an additional \$30M in charity care over budget. Charity Care has grown by more than \$100M in last two years alone.
- Grew CountyCare to be the largest Medicaid managed care plan in the county.
- Cook County Health remains the largest provider of care in the CountyCare network.
- U.S. News and World Report Recognition for heart failure, gastroenterology and neurology at Stroger Hospital.
- Facility modernization milestones achieved with replacement of health center at Arlington Heights with substantial work done at North Riverside (Cicero clinic replacement) and Blue Island (Oak Forest Clinic replacement). Broke ground on the new CCH Belmont-Cragin Health Center.

# FY2019 Accomplishments

- National Commission on Correctional Health Care recertification at JTDC.
- Distributed more than 4,000 naloxone (Narcan) kits to at-risk individuals upon discharge from Cook County Jail.
- Awarded more than \$9M in extramural funding to support strategic initiatives in correctional health, behavioral health, housing and maternal child health services.
- Opened Intensive Care Unit at Provident Hospital.
- Hosted Research and Innovation Summits on opioids and housing. Summit on the Justice-Involved population scheduled for September 18, 2019.
- Filed Certificate of Need application with the state of Illinois for the construction of new inpatient and outpatient facility on the Provident campus.
- Continuation of trauma training partnership with US Navy.

# FY2019 Accomplishments

- Expansion of Social Determinants of Health initiatives (Housing, Food Insecurity, Opioid-Use Disorders, Justice-Involved).
- Surpassed the distribution of 500,000 pounds of fresh produce at CCH health centers through our partnership with the Greater Chicago Food Depository.
- CCH achieved full implementation of Health Information Exchange (HIE) between Cerner CommonWell and Epic Carequality allowing CCH providers to access patient information at all clinical and hospitals connected to HIE
- Participated in several workforce development programs aimed at exposing young people to careers in healthcare.
- Provided more than 14,000 hours of training to the CCH workforce through 97 classroom sessions and 253 online courses.
- Executed public education and marketing campaigns focused on adolescent health, Sexually Transmitted Infections, Cook County Health and CountyCare.

# FY2019 Capital Investments

- Prior to FY2016, Cook County Government a separate capital allocation to Cook County Health. In the last four years, Cook County Health has funded millions in overdue capital equipment out of its operating budget.
- CCH continues to substantially invest in new facilities, medical equipment and technology to improve patient safety, quality and experience. In FY2019, CCH has completed procurement processes / actual spend for over \$74M in cost using lease finance mechanism;
  - Combined spend of capital medical equipment purchases - \$56M
  - Information Technology upgrades -\$7M
  - Arlington Heights Community Health Center medical equipment /IT Costs - \$3M
  - Arlington Heights Community Health Center final construction cost - \$5M (including Landlord contribution of \$1M
  - Blue Island and North Riverside Community Health Center construction in progress - \$4M

# Operational Realities



COOK COUNTY  
**HEALTH**

# Operational Realities

- Reduced reliance on local taxpayer support. Absorbed growth in Correctional Health & Public Health since 2017.
- Significant growth in demand for Charity Care. Charity care grew by more than \$100M since 2017.
- Salary and benefit increases related to CBAs.
- Like all health systems, CCH is subject to cost increases in pharmaceutical, equipment and supplies.
- Growing patient care revenue has been CCH's only source to fund continued growth in charity care.
- Medicaid application processing at the state level.
- State capitation rates.
- Competing with national brands and private not-for-profits that have considerable resources.
- National, state and local politics and policies.

# FY2020 Proposed Budget



COOK COUNTY  
**HEALTH**



# FY 2020 Proposed Budget Summary

The \$2.8B FY2020 budget proposal moves CCH into the first year of the recently approved strategic plan, IMPACT 2023. The FY2020 budget includes:

- \$590M in uncompensated care (\$409M charity care and \$181M in bed debt)
- 6,589 FTEs
- 326,000 CountyCare Members
- No layoffs
- \$74M in capital equipment
- \$11M in extramural funding
- Underlines organizational focus on quality improvements, patient satisfaction and regulatory compliance.
- Continues efforts to build, realign, and integrate clinical and managed care capacity across all care settings.
- Supports organizational capacity to improve clinical documentation, billing, coding, collections and other revenue cycle activities.

# FY2020 Proposed Budget

## Revenue Drivers

CountyCare membership growth to 326,000. Current membership at 318,000 and trending up since new state administration focus on application processing.

Initiatives in the following areas expected to drive additional revenues:

- Dialysis services at Provident
- Surgery at Provident and Stroger
- New larger community health centers in the community at Blue Island and North Riverside with enhanced services
- Specialist physicians deployed to CCH community health centers
- Restoring Provident Ambulance services
- CountyCare network adjustments

Professional and facility billing improvements

# FY2020 Proposed Budget

## Expense Drivers

- \$590 M in uncompensated care costs
  - \$409M charity care, \$181M bad debt
- Wage and benefits increases, driven by negotiated changes
- Additional mental health services at the Juvenile Temporary Detention Center
- Pharmacy, medical supplies and equipment inflation
- Increased expenses in CountyCare as membership increases
- Information Technology investments to adapt to industry changes in security and reliability
- Ongoing investments in new revenue cycle billing system
- Continued overhead cost of operating Oak Forest campus

# FY 2020 Projected Volume

	Monthly Average		Monthly Projection	Difference
Visit Type	FY 2018	FY 2019*	FY 2020	FY20 v. FY19
Surgical Cases	1,265	1,214	1,320	9%
Emergency Visits	12,544	12,361	13,105	6%
Primary Care Visits	18,127	19,756	20,508	4%
Specialty Care Visits	27,595	28,586	29,691	4%
Deliveries	82	85	90	6%

*\*based on first 6 months of FY 2019  
ED visit growth is driven by Provident ambulance runs*

# FY2019-FY2020 Budget (in Millions)

	FY2019 Adjusted Appropriation*	FY2019 Projected Year End	FY2020 Proposed
Revenues	\$2,690	\$2,629	\$2,824
Expenses	2,690	2,629	\$2,824
Net Surplus/(Deficit)	\$0	\$0	\$0

*\*Assumes projected adjustments for CountyCare based on higher than expected membership*

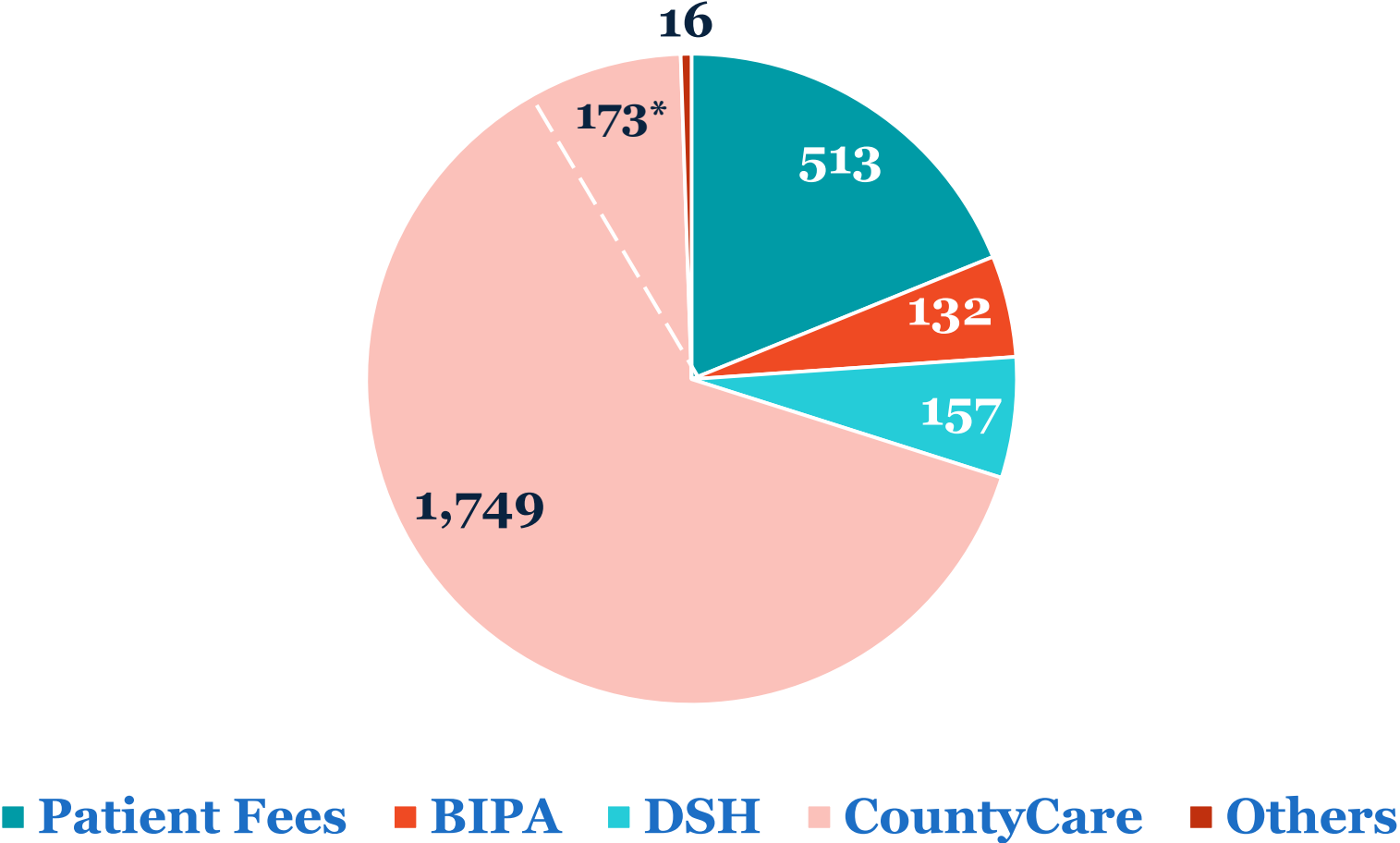
# FY2020 Proposed CountyCare Financial Summary

(in millions)

	ACA Adult	FHP	SPD	MLTSS/LTSS /IMD	TOTAL
Projected 2020 Membership	72,993	216,519	30,350	6,172	326,034
<b>Revenue (in millions)</b>	<b>\$474</b>	<b>\$542</b>	<b>\$567</b>	<b>\$169</b>	<b>\$1,752</b>
Medical Expense (CCH)	71	26	58	19	173
Medical Expense (Network)	391	476	490	146	1,502
Administrative Expense	20	30	19	5	74
<b>Total Expenses (in millions)</b>	<b>\$483</b>	<b>\$532</b>	<b>\$466</b>	<b>\$169</b>	<b>\$1,751</b>
Profit/(Loss)	(\$4)	\$4	\$1	\$0	\$1
<b>Total CCH Contribution</b>	<b>\$68</b>	<b>\$30</b>	<b>\$57</b>	<b>\$19</b>	<b>\$173</b>



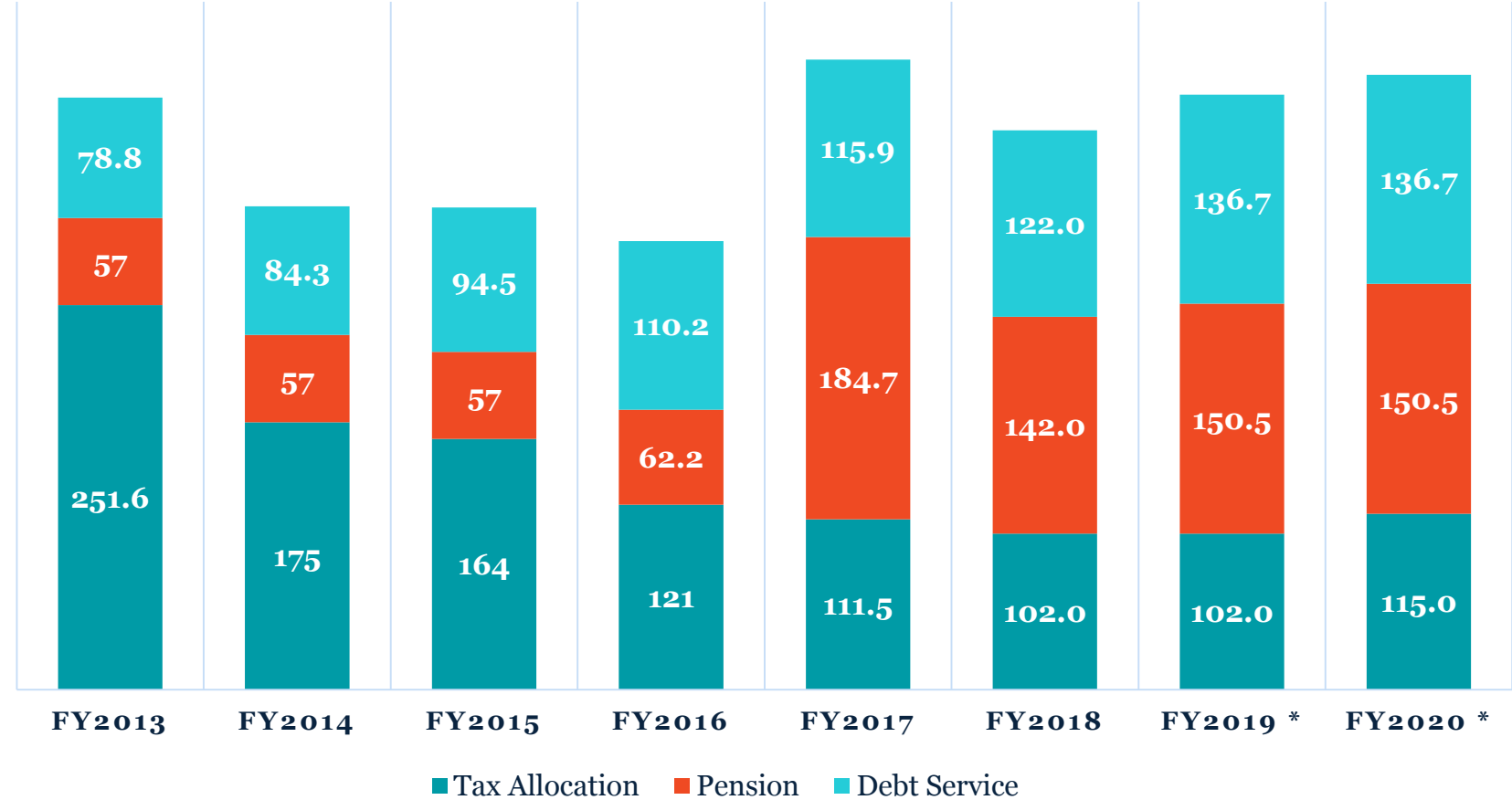
# FY2020 Proposed External Revenue by Source (in millions)



DSH: Disproportionate Share Hospital Payments  
BIPA: Benefits Improvement and Protection Act Payments  
\* Revenue from CountyCare members served at CCH facilities  
\*\*Medicare Advantage



# Cook County Pension, Debt Service & Operating Allocation (in \$ millions)



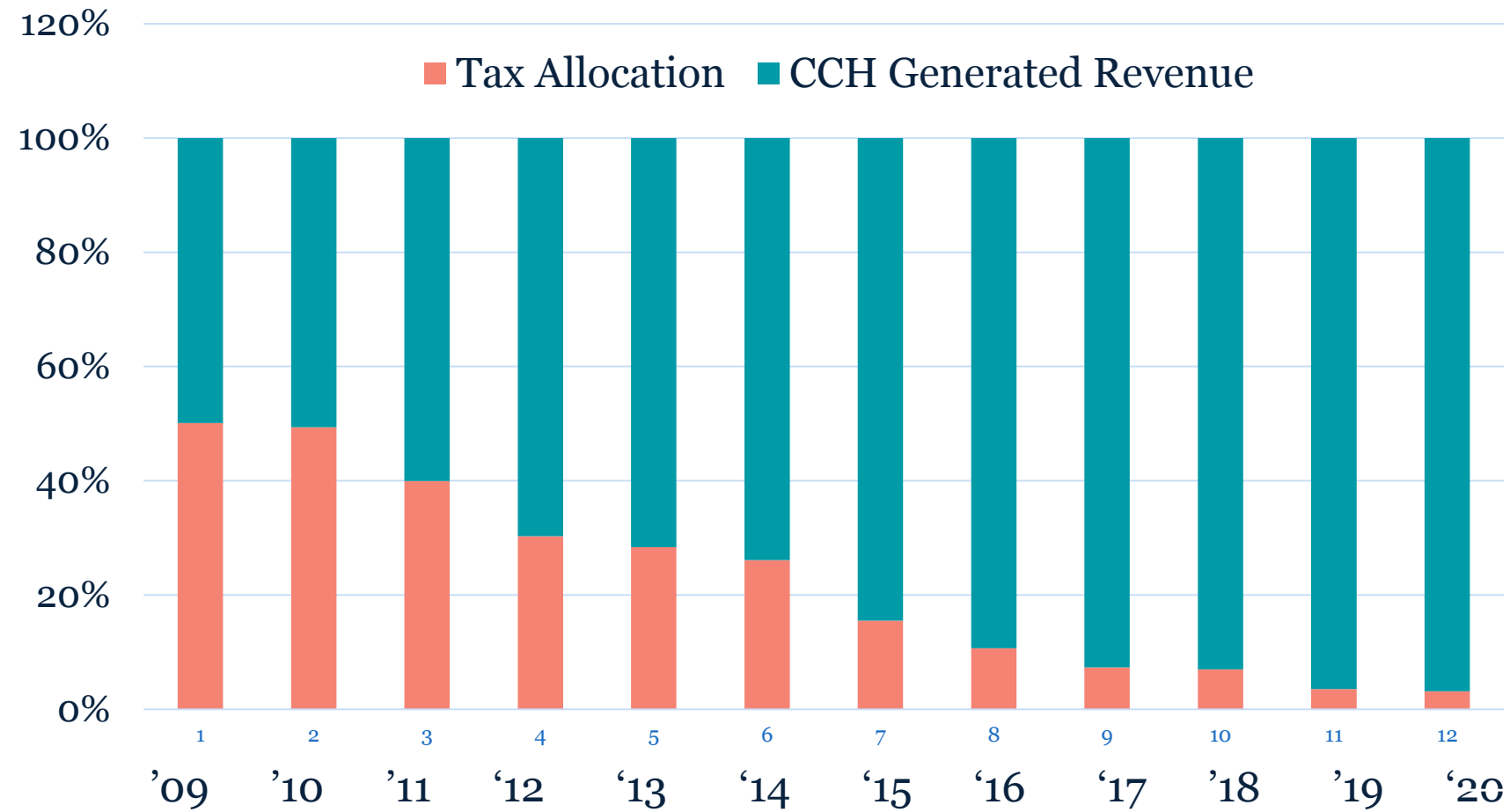
NOTE: The CCH FY2020 budget anticipates a tax allocation of \$115M of which \$32M will go to CCH current pensions, up \$3M from 2019. In 2018 and 2019, CCH directed \$29M from the tax allocation to the pension. This pension contribution effectively reduces the amount directed at operations to \$73M for 2018, 2019 and \$83 for 2020.

\*FY2019 & FY2020 Projected



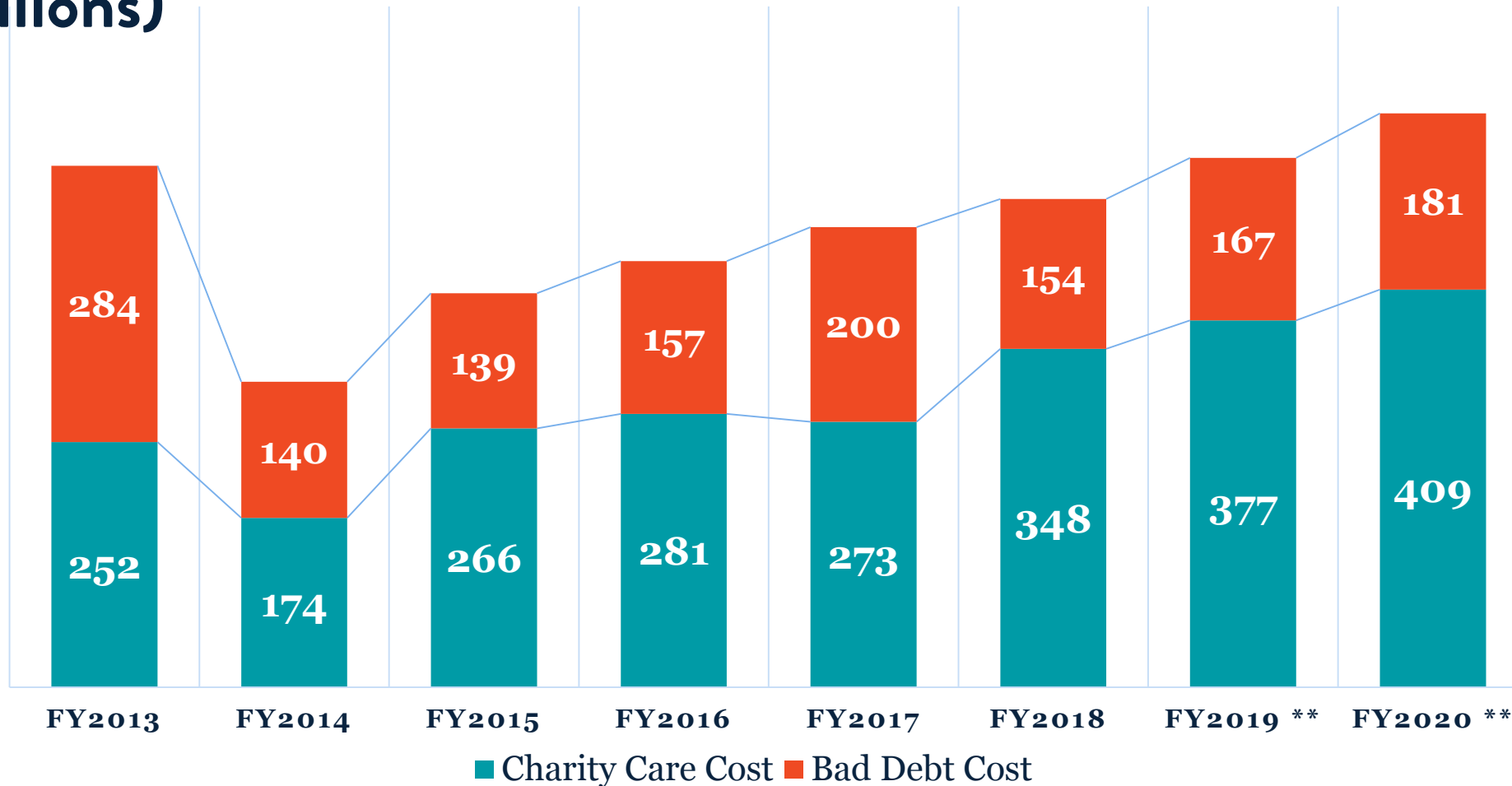
# Operating Tax Allocation as a Percentage of CCH Revenue

In FY2020, the Cook County Tax Allocation will Represent less than 5% of CCH's Operating Revenue

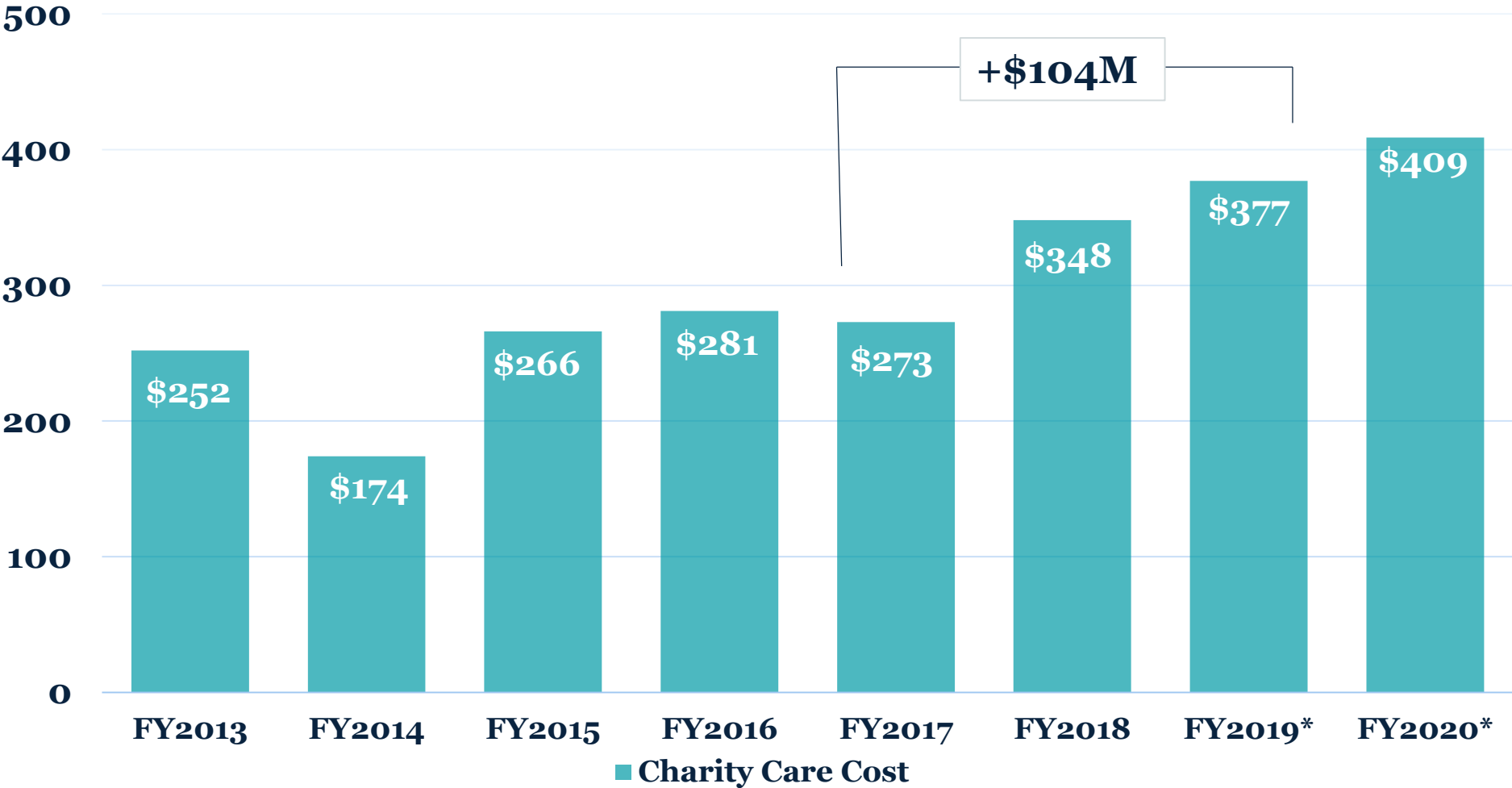


# CCH Uncompensated Care\*

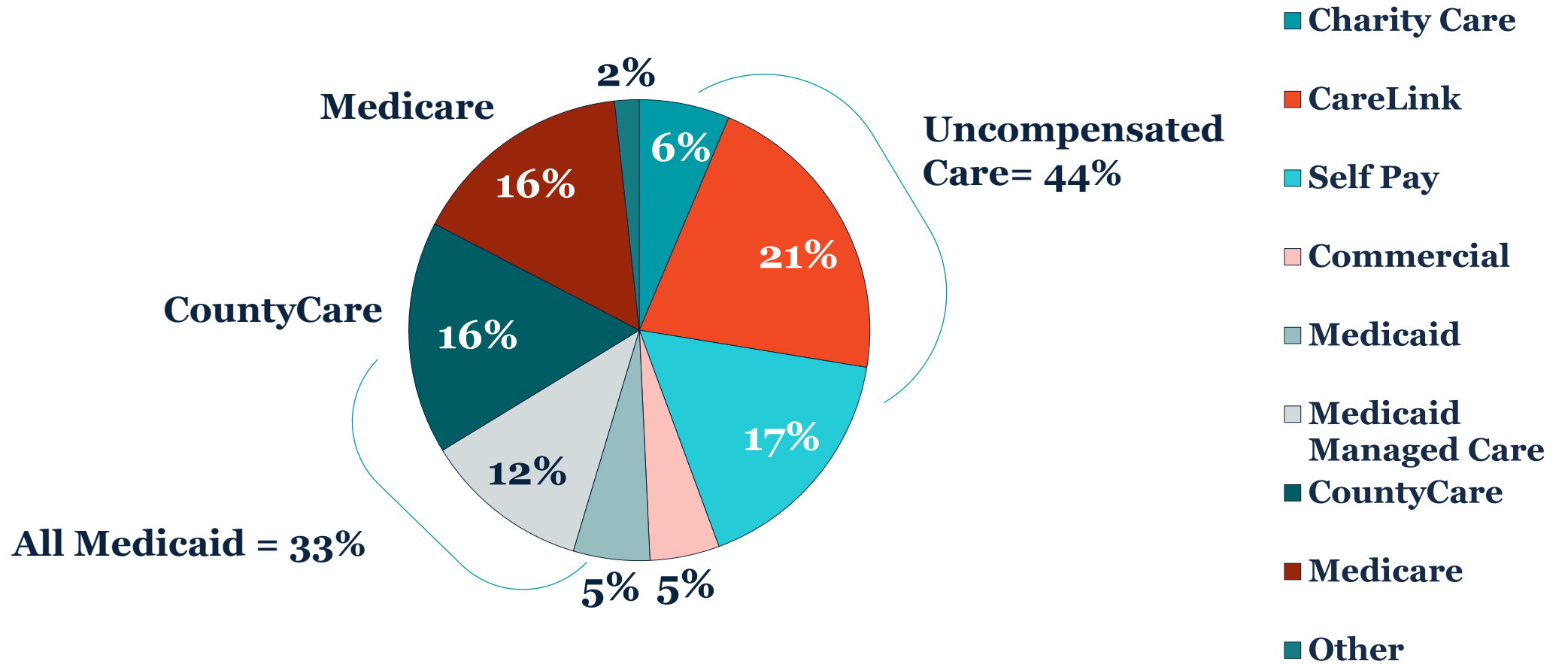
(in \$millions)



# CCH Charity Care at Cost (in millions)



# System Payor Mix By Visit as of June 2019



# FY2020 Success Factors

The FY2020 budget proposal aligns with the recently approved CCH strategic plan, IMPACT 2023, however, success will depend on:

- The ability to meet the uncompensated care demand. Growth in uncompensated care is unsustainable with current revenues. Public Charge rule may further impact uncompensated care.
- Partnerships with labor, working on efficiencies and process improvements, and patient-centered focus
- Entering into strategic partnerships with other providers to drive volume, expand access and enhance quality
- Stability of state and federal programs including the 340B prescription drug program, Affordable Care Act and Medicaid including DSH (Disproportionate Share Hospital)
- Implementing identified revenue cycle improvements based on best practices
- Modest Medicaid membership growth and stable Medicaid rates
- CountyCare members' use of CCH services
- Adapting to the dynamic larger healthcare environment

# FY2020 -2022 Projections



# FY2020 – 2022 Forecast (in millions)

NOTE: The CCH FY2020 budget anticipates a tax allocation of \$115M of which \$32M will go to CCH current pensions, up \$3M from 2019. This pension contribution effectively reduces the amount directed at operations to \$83M.



**COOK COUNTY**  
**HEALTH**

	FY 2020 Proposed	FY 2021 Projected	FY 2022 Projected
<b>Revenues</b>			
CCH Revenue	\$2,741	\$2,719	\$2,737
Cook County Allocation (For correctional health services and Cook County Department of Public Health)	\$115	\$115	\$115
County Allocation to CCH Pension Contribution	\$110	\$110	\$110
<b>Total Available Funds</b>	<b>\$2,966</b>	<b>\$2,944</b>	<b>\$2,962</b>
<b>Expenses</b>			
Hospital-Based Services	\$865	\$883	\$900
CountyCare	\$1,785	\$1,793	\$1,802
Health Administration	\$53	\$54	\$55
Ambulatory Services	\$120	\$122	\$125
Correctional Health Services	\$97	\$99	\$101
Public Health Services	\$13	\$14	\$14
CCH Contribution to Current Pension Expense	\$33	\$33	\$33
<b>Total Expenditures</b>	<b>\$2,966</b>	<b>\$2,998</b>	<b>\$3,030</b>
<b>Accrual Basis net Surplus / (Deficit)</b>	<b>\$0</b>	<b>(\$54)</b>	<b>(\$68)</b>
<b>Budget Submissions/Projection</b>			
Budget Revenues	\$2,824	\$2,801	\$2,819
Budget Expenditures	\$2,824	\$2,854	\$2,886
<b>Cash Basis Net Surplus / (Deficit)</b>	<b>\$0</b>	<b>(\$53)</b>	<b>(\$67)</b>

# FY2020 – 2022 Revenue Projections (in millions)

	FY2020	FY2021	FY2022
CCH Patient Revenue	513	471	471
BIPA - Benefits Improvement and Protection Act of 2000	132	132	132
Other Revenues	16	16	16
DSH - Disproportionate Share Hospital	157	157	157
CountyCare Capitation Revenue	1,749	1,766	1,784
Internal CountyCare Capture (clinical services to CountyCare members)	173	175	176
	2,741	2,719	2,737



# FY2020 Budget Calendar

- June 20, 2019 President's FY2019/2020 Preliminary Budget Forecast Released
- July 9, 2019 President's Preliminary Forecast Public Hearing
- July 19, 2019 CCH Finance Committee Meeting – Budget Framework Introduced
- July 17, 2019 Cook County Finance Committee Meeting – Mid-Year Budget Hearings
  
- **August 30, 2019 CCH Board Meeting – Introduction of FY2020 Budget**
  
- **September, 2019 CCH Budget Public Hearings**  
**CCH Special Board Meeting to approve FY2020 Proposed Budget**
  
- **September, 26, 2019 Cook County Board Meeting – CCH FY2020 Proposed Preliminary Budget Introduced & Approved\* (*for inclusion in Executive Budget Recommendation*)**
  
- **October, 2019 President's FY2020 Executive Budget Recommendation Introduced**
  
- **October–Nov, 2019 Cook County Public Hearings, Agency & Department Budget Review Meetings Proposed Amendments, Annual Appropriation Bill Adopted**

# Questions?



COOK COUNTY  
**HEALTH**

Cook County Health and Hospitals System  
Minutes of the Board of Directors Meeting  
August 30, 2019

ATTACHMENT #6



# COOK COUNTY HEALTH

**JOHN JAY SHANNON, MD**  
**CHIEF EXECUTIVE OFFICER**  
**COOK COUNTY HEALTH**  
**REPORT TO THE BOARD OF DIRECTORS**  
**August 30, 2019**

## **Employee Recognition**

Recently, the Cook County Health C.A.R.E. (Connecting Adolescents to Resources, Education / Employment) Interns celebrated the completion of their summer program. This program was designed to introduce and provide opportunities in health care careers to area youth living on the south and west sides of Chicago. College interns worked in various hospital departments gaining on-the-job experience, while our high school interns participated in a summer enrichment course, which combined classroom activities with hands-on experience and a research project identifying an issue within their communities and discussing how they could make an impact. Thank you to CCH staff who helped mentor our interns this summer and provided them with an enriching experience, including **Alecia Boyd, Lezah Brown-Ellington, John Daley, Maureen Froncek, Juandalynn Johnson, Rudolf Kumapley, Kelsey Moore, Barbara Pryor, Karen Williams and Wayne Wright.**

Thank you to our team members who volunteered at the **90<sup>th</sup> Bud Billiken Day Parade** on August 10, making it another successful year of representation for CCH. Staff provided medical care along the parade route's first-aid stations and handed out information about the health system's services. Provident Medical Director, **Dr. Arnold Turner**, Provident Hospital Operating Officer **Tanya Seaton** and Community Outreach Worker **Xandria Hair** led this year's team, including: **Phillip Alanis; Debra Ali; Paul Allegritti; Heather Allen; Michelle Andrews; Kelly Baskin; Wade Bluck; Stephen Cambilak; Davine Carter; Gregory Doss; Gail Floyd; Marcelino Garcia; Jim Gannon; Stequita Hankton; Sasha Haran; Kate Hedlin; Ralph Jackson; Kimberly Johnson; Jing Li; Whitney Lyn; Keith Morton; Christine Newton; Amila Nissanka; Rajae Patton; Audris Pinkerton; Silvia Oliveros Plascenia; Wayne Pollard; Kary Raines; Melanie Ripley; Sylvester Smith; Tyahna Smith; Willie Stallworth; Pierre Wakim; Leo Watkins; Henry White; and April Wright.**

**U.S. News & World Report** has recognized Stroger Hospital as a high performing hospital across three specialties for 2019-2020: Gastroenterology and GI surgery; Heart Failure; and Neurology and Neurosurgery. Being designated as a high performing hospital puts CCH in the top 10 percent of health care organizations nationally with almost 5,000 medical centers evaluated nationwide. Rankings were determined by several factors including patient outcomes, patient experience, physician expertise and quality of care. A hospital must excel in caring for the sickest, most medically complex patients to receive a national specialty ranking. Thank you to our Gastroenterology team led by **Dr. Bashar Attar**, Chair of Gastroenterology and Hepatology; our Cardiology team led by **Dr. Rami Doukky**, Chair of Cardiology, **Dr. Tareq Alyousef, Dr. Arlet Nedeltcheva, Sarah Voll and Criselda Yulo**; our Neurology team led by **Dr. Lakshmi Warrior**, Chair of Neurology, **Dr. Izabela Biesiada and Dr. James Dorman**; and our Neurosurgery team led by **Dr. Yogesh Gandhi**, Chair of Neurosurgery, and **Dr. Diane Sierens.**

## Activities and Announcements

- On July 29<sup>th</sup>, CCH filed a **Certificate of Need (CON)** application with the Illinois Health Facilities & Services Review Board (IHFSRB). If approved, **CCH plans to build a modern and efficient inpatient and outpatient facility on a vacant parcel next to the current Provident Hospital**. The facility will include expanded outpatient services and downsized inpatient facilities. Additionally, the new building is expected to reduce the number of Provident patients needing to travel to the Stroger campus for services not currently provided at Provident. In keeping with CCH's mission, the modern replacement facility will help ensure the provision of state-of-the-art care to individuals in the communities surrounding Provident regardless of their ability to pay.

### IMPACT 2020 Objectives 1.1, 1.2, 1.3, 2.1

- On August 21<sup>st</sup>, Dr. Shannon, Christine Haley, Director of Housing and Leticia Reyes-Nash, Director of Programmatic Services and Innovation presented at the **National Academy for State Health Policy's Health and Housing Institute**. The team shared CCH housing initiatives. With support from the U. S. Health Resources and Services Administration, NASHP convenes a [state Health and Housing Institute](#) to address the challenges of sustainably financing health and housing initiatives. Multi-agency teams from state Medicaid, housing, and partner agencies in Illinois, Louisiana, New York, Oregon, and Texas work to break down state agency siloes, control costs, and improve vulnerable populations' health through housing.

### IMPACT 2020 Objective 6.1, 6.3

- On August 22<sup>nd</sup>, CCH participated in the **Chicago and Cook County Flexible Housing Pool** press conference announcing more than \$1.8 million in new investments, including the first private investments in the program. Blue Cross and Blue Shield of Illinois and Advocate Aurora Health are investing a combined \$1.5 million over the next three years to support the City and its partners' collaborative efforts to align housing, tenancy and wraparound support services for those most at-risk for homelessness. Also, UI Health has pledged a \$281,000 contribution this year and \$350,000 for FY 2020 for the FHP. The FHP pairs wraparound health and social services with a housing subsidy to support residents experiencing homelessness with a focus on super-users of local crisis response systems such as hospital emergency rooms, police stations, paramedic calls, jails and shelters. Since the implementation of the program began in March of 2019, the FHP has housed 26 residents who were previously experiencing homelessness. CCH previously pledged \$1 million to the program.

### IMPACT 2020 Objective 6.1, 6.3

- CCH employees will be participating in the 36th Annual **UNCF Chicago Walk for Education** on Saturday, September 14. The walk is a community fundraising event, which provides students with financial assistance for college.

### IMPACT 2020 Objective 6.3

- On Wednesday, September 18, CCH will host its third **Research and Innovation Summit, Connecting Care for the Justice-Involved**. The summit will provide a forum for discussing how to improve care for those impacted by the criminal justice system. Specifically, the summit will give participants the opportunity to learn about CCH's justice initiatives and innovative solutions to link patients to resources. It will also include a session for people to collaborate in order to develop actionable plans to address this critical issue.

#### **IMPACT 2020 Objective 1.6, 7.1**

- **Cook County Health Foundation's Annual Gala and Awards Event** will be held on Wednesday, September 25, at the Hilton Chicago. The gala will raise funds for CCH cardiology and endocrinology services. Funds will be invested in expanding lifestyle centers to help patients manage their health. Invitation is attached.

#### **IMPACT 2020 Objectives 3.2, 6.3**

- On Friday, September 27, CCH will host a **graduation ceremony** for the latest cohort of **Navy corpsmen** who participated in **Hospital Corpsman Trauma Training**, a partnership between Navy Medicine, the Capt. James A. Lovell Federal Health Care Center, and Stroger Hospital. The corpsmen assist surgeons as they treat patients with life-threatening injuries, allowing them to experience trauma care before treating injuries sustained on the battlefield.

#### **Food As Medicine**

- Through August 19, CCH's Fresh Truck partnership with the Greater Chicago Food Depository (GCFD) has resulted in 205 visits to 13 CCH health centers – Arlington Heights, Austin, Cicero, the CORE Center, Cottage Grove, Englewood, Logan Square, Near South, Oak Forest, Provident/Sengstacke, Prieto, Robbins, and Woodlawn.

Collectively, the Fresh Truck distributions have resulted in the provision of fresh fruits and vegetables to 26,990 individuals, representing 89,491 household members, totaling more than 550,000 pounds of fresh produce. Most of the individuals benefiting from the Fresh Truck screened positive for food insecurity at a CCH health center visit.

- **CCH Fresh Markets** are offered in the south suburbs. Fresh produce is supplied by Black Oaks Center, a nonprofit that seeks to create a just, holistic, and local food system through education, entrepreneurship, and access to healthy, affordable foods. CCH partners with Experimental Station's Link Up Illinois Link Match program to offer SNAP users with a match on all purchases at CCH Fresh Markets, up to \$20/market/week. The Fresh Market schedule is:
  - Oak Forest Health Center on Wednesdays, 9am-2pm
  - Robbins Health Center on Thursdays, 11am-3pm
  - Cottage Grove Health Center on Fridays, 9am-2pm

#### **IMPACT 2020 Objectives 1.1, 6.2, 6.3, 7.4**

## **Legislative Update**

### **Local**

- On July 17 the Cook County Finance Committee conducted a FY2019 Mid-year Budget Hearing. Departments across the County appeared to discuss their respective anticipated year-end budget gaps and strategies to address. CCH was represented by Debra Carey, Deputy CEO for Operations and Ekerete Akpan, CFO who spoke to a projected \$103M deficit as of May 31, 2019. Since that time CCH received \$77M in GME funding from the state, which was included in the FY2019 budget but had not been received by May 31. To close the remaining \$26M, CCH will be delaying hiring of a number of unfilled positions and reviewing contracts to realize savings. CCH anticipates ending FY2019 balanced.
- On July 18 the Cook County Audit Committee met to review the FY2018 Comprehensive Annual Financial Report (CAFR). CCH CFO Ekerete Akpan, along with representatives from RSM, CCH's Auditor, appeared before the committee to address material findings and CCH's corrective action plan.
- At the July 25 Cook County Board President Preckwinkle and members of the Board of Commissioners introduced a Lead Poisoning Prevention Ordinance which was referred to the Cook County Board's Health & Hospitals committee. The proposed ordinance was drafted by the CCH's Cook County Department of Public Health (CCDPH) and allows CCDPH to bring noncompliant homeowners to administrative hearings when they fail to fulfill their legal obligations to mitigate lead paint found in homes of exposed children. It also provides a process by which CCDPH can write rules to intervene at lower blood lead levels should the Centers for Disease Control and Prevention (CDC) recommend changes to intervention levels in the future. The proposed ordinance aligns with state law, regional ordinances, local plans, and research on lead poisoning prevention best practice. It will apply throughout CCDPH's suburban Cook County jurisdiction. A hearing on the proposed ordinance is anticipated in September
- Also on July 25 the Cook County Board's Health and Hospitals committee met to discuss the Office of the Independent Inspector General's (OIIG) report on CountyCare finances. The meeting was chaired by CCH Board Director Dennis Deer. CCH Finance Chairman Robert Reiter and Dr. Shannon appeared before the committee and addressed Commissioner's questions. Also in attendance were Board Chairman Hammock, Directors Mary Driscoll, Mary Gugenheim and Mike Koetting. An additional hearing on the matter may be scheduled in September after CCH's official response to the report is submitted to the OIIG.

### **State**

- The Illinois General Assembly is scheduled to return to Springfield October 28-30 and November 12-14 for the Fall Veto Session. The schedule for the 2020 Spring Session has yet to be announced, but will likely start in mid-January 2020 and run through May 31.
- The Governor signed SB1321 on August 5. SB1321/Public Act 101-0209 is also referred to as the Medicaid Omnibus Bill, which passed the House and Senate unanimously.

PA 101-0209 intends to address challenges with the state's eligibility system and resulting delays in processing Medicaid applications and redeterminations. The bill also seeks to improve the

relationship between providers and Medicaid MCOs by requiring HFS to establish a claims dispute resolution process, establishing policies and timelines for MCOs to update provider rosters, and ensuring stakeholder engagement in efforts to improve MCO operations and further develop value-based payment models. Unless otherwise noted, provisions of PA 101-0209 took effect immediately.

- On August 7, 2019 Governor Pritzker appointed Kent Slater to the Illinois Health Facilities and Services Review Board. Mr. Slater served two terms in the Illinois House of Representatives in the 1980s, is a retired appellate judge, and serves as a counsel at a law firm in Joliet. His appointment requires Senate confirmation.

## **Federal**

- Congress is currently out on a six-week August recess, having completed two of its most critical tasks before legislators returned to their districts.

### **Budget and Appropriations**

- Negotiations between House Speaker Nancy Pelosi (D-Calif.), Senate Majority Leader Mitch McConnell (R-Ky.) and Treasury Secretary Steve Mnuchin yielded a two-year budget agreement, lifting the strict discretionary spending caps imposed by the Budget Control Act of 2011 and suspending the public debt limit through July 2021. The leaders also committed to not include “poison pill” policy riders in appropriations bills. The bill, H.R. 3877, the Bipartisan Budget Act of 2019, increases the FY2020 and FY2021 discretionary spending limits for defense and nondefense spending. It also sets limits for the Department of Defense Overseas Contingency Operations funding, which is exempt from discretionary spending limits; and adjusts the FY2020 discretionary spending limits to accommodate funding for the 2020 Census.

Senate Appropriations Committee staff will be working through the recess to prepare each of the twelve annual bills funding the federal government. Though the House has passed ten of its FY 2020 bills, they will need to be adjusted because they assumed lower defense and higher domestic spending levels. When Congress returns after Labor Day, it will only have three weeks to fund the government before the end of the fiscal year. In order to speed the process, bills will need to be packaged together into so-called “minibuses” to take to the floor. The Defense and Labor-HHS-Education bills are likely candidates to be paired, as they balance Democratic and Republican priorities and comprise almost 2/3 of federal discretionary spending. In any case Congress will almost certainly need to pass one or more continuing resolutions (CRs) to keep money flowing and the agencies running while they finish the appropriations process.

### **Medicaid DSH Cuts**

- The House Energy and Commerce Committee marked up H.R. 2328, the Community Health Investment, Modernization, and Excellence Act of 2019 on July 17. The bill includes provisions which would repeal the reductions to Medicaid disproportionate share hospital (DSH) payments imposed by the ACA for FY 2020 and FY 2021 and reduce the FY 2022 cut to \$4 billion. The cuts for FY 2020 and FY 2022 would not simply be delayed, or pushed into the out years, but rather repealed or “bought out.”

The DSH sections include provisions which would require CMS to begin making states’ upper payment limit (UPL) hospital demonstrations data public, beginning with state FY2022. Another would require the Comptroller General of the U.S. to report to Congress, within 21 months of



enactment, on potential legislation to establish an equitable formula for determining DSH allotments for States. The report must consider the states’

1. level of hospital uncompensated care costs;
2. expenditures for hospitals, including UPL supplemental payments, and other related payments; and
3. policy decisions that may affect the level of uncompensated care costs (*e.g.* ACA Medicaid expansion).

It is not clear when the bill, and other health care measures may get floor time in the House.

Senate staff continue to indicate that the health bills, including high profile measures to address surprise billing and prescription drug prices, may get floor time in September. The County’s Senate delegation supports a DSH cut delay and Democratic leadership have said that it is a priority. In addition to timing, questions on a legislative vehicle and offsets remain outstanding.

### **Public Charge**

- The U.S. Department of Homeland Security (DHS) published a long-awaited final public charge rule on August 14, 2019, with a scheduled effective date of October 15, 2019.

Public charge is a test applied to immigrants who seek to enter the United states (i.e. obtain a visa) or those who seek Legal Permanent Residency (i.e. a green card) and determines whether these immigrants will be “primarily dependent” on the government for subsistence. The new final rule makes dramatic changes to the long-standing policy by expanding the public benefits programs that may be counted in a public charge test and considers specific factors such as age, health, family status, income and resources, and education and skills as part of the “totality of circumstances” that weighs into whether someone may be likely to use public benefits in the future.

The final rule targets key public benefits that help many meet basic needs, including:

- Medicaid (with exceptions for emergency Medicaid; coverage for children younger than 21 years; coverage for pregnant women including during the 60 day postpartum period)
- Supplemental Nutrition Assistance Program (SNAP, formerly known as food stamps)
- Housing programs – including public housing, Section 8 housing vouchers, and Project-based Section 8
- Cash assistance – including Social Security Income (SSI), Temporary Assistance for Needy Families (TANF), local or tribal programs

The final rule is prospective and takes into account applicable public benefits used on or after October 15, 2019 for green card or visa applications that are postmarked on or after October 15, 2019.

While the new test will apply to a very specific and relatively small group of immigrants, the broader “chilling” effect may result in hundreds of thousands of immigrants and their families who decline to apply for or dis-enroll from public benefit programs, despite the fact that the final rule has no impact on them and that eligibility for these programs have not changed.

The downstream impact on Cook County Health and others will be significant. Reductions in health insurance coverage will lead to increase utilization of emergency rooms by individuals who do not have access to primary care, resulting in increased uncompensated care; CCH alone is projected to lose \$30M annually. Public health is also at risk, given that insured individuals are three times more likely to be vaccinated compared to those who are uninsured.

Several lawsuits have been filed by advocates, counties, and states in an effort to halt or further delay the implementation of the final rule. CCH has been working with local and national partners to review the final rule and refine communications to our staff and patients, with a reiteration of our mission to continue to provide health care to everyone, regardless of insurance status, immigration status, or ability to pay.

Attached is a copy of the comment letter submitted last December by CCH in opposition to the Public Charge Rule as well as a white paper developed to educate public officials, staff and the media about the impact of public charge.

**Protection of Medicaid remains a key priority for CCHHS at both the State and Federal level.**

## Community Outreach

September 4	Cook County Health and CountyCare promotion at the <b>Greater New Mt. Eagle Health &amp; Wellness Fair</b> , hosted by the church's nursing ministry, which is located at 12301 S. Michigan Avenue in Chicago.
September 7	Cook County Health and CountyCare promotion at the <b>Malcolm X College Service Days</b> , which is hosted by the <b>Wellness Center of Malcolm X College</b> at the school, located at 1900 W. Jackson Boulevard in Chicago. This event for the students and community will provides services such as health insurance enrollment, counseling, mental health support services and nutrition education, to name a few. The <b>Austin Health Center CCHIP team</b> will do HIV testing at the event.
September 7	Cook County Health and CountyCare promotion at the <b>First Ladies Health Initiative</b> , which seeks to provide HIV testing at African American Churches in Chicago and Cook County. Our HIV/Aids service providers from the CORE Center, Provident Hospital and SSHARC will help with the testing at the event, which will take place at Burnham Park at 39 <sup>th</sup> Street and Lake Shore Drive in Chicago. This year instead of testing at the churches, all educational and testing activities will happen at the park.
September 7	Cook County Health and CountyCare promotion at the <b>National Kidney Foundation of Illinois' Living with Kidney Disease and Transplantation</b> event, which will take place at the Illinois Institute of Technology's Herman Hall located at 3241 South Federal Street in Chicago. The goal of this event is provide participants a unique forum that allows them to understand their diagnosis in a supportive environment and lets them access whatever information they might need about medications, insurance, diet, treatment options, and more.
September 8	Cook County Health and CountyCare promotion at the <b>Bellwood School District 88's Back to School Bash</b> , which will take place at Memorial Park located at 3101 Washington Boulevard in Bellwood.
September 10	Cook County Health and CountyCare promotion at the <b>Brookins' 7th Annual Community Health Fair</b> , which is hosted by <b>Brookins Life Celebrations, 21st Ward Alderman Howard Brookins, Commissioner Stanley Moore and State Representative Justin Slaughter</b> in the grounds of the Brookins Funeral Home located at 9321 S. Ashland in Chicago.
September 11	Cook County Health and CountyCare promotion at the <b>Palatine Township Health &amp; Happiness Fair</b> which will take place at the Township offices located at 721 S. Quentin Road in Palatine. This annual Health and Happiness Fair offers free screenings, educational presentations and information to keep individuals and families continually thinking about healthier life alternatives and choices. Staff from the <b>CCH Arlington Heights Health Center</b> will promote the health services offered at their facility.

September 12	Cook County Health and CountyCare promotion at the <b>City of Chicago Senior Fest 2019</b> which takes place at Millennium Park located at 201 E. Randolph Street in Chicago. More than 3000 seniors attend the yearly event where they get their flu shots and receive other health related information.
September 13	Cook County Health and CountyCare promotion at the <b>Maywood Fest</b> , which is hosted by the Village of Maywood and its Board of Trustee in collaboration with Annual Maywood Fest committee, will take place at the Veteran's Memorial Park in Maywood.
September 13	Cook County Health and CountyCare promotion at the <b>Boulevard Recovery Month Picnic</b> , which takes place at their facility located at 3456 W Franklin Boulevard in Chicago. The Boulevard is a Garfield Park organization that helps care for the homeless and this event marks National Recovery Month.
September 18	Cook County Health and CountyCare promotion at the <b>Cook County Department of Homeland Security Emergency Preparedness Fair</b> , which will take place at Daley Center Plaza located at 50 W. Washington Street in Chicago. At the event, attendees can take a firsthand look at the response team equipment, meet public, private and non-profit agencies that provide disaster relief for the community, build their own personal preparedness kit and participate in fun activities.
September 18	Cook County Health and CountyCare promotion at the <b>Marillac St. Vincent Family Services - Marillac Social Center Resource Fair</b> that is sponsored by the Marillac Social Center and takes place at the Center located at 2859 W. Jackson Boulevard in Chicago.
September 21	Cook County Health and CountyCare promotion at the <b>Bloom Township High School Parent University</b> , which will take place at Prairie State College located at 202 S. Halsted Street in Chicago Heights. Organizers are planning seminars for parents on a variety of useful life enrichment topics and will involve students in a variety of leadership roles throughout the day.
September 24	Cook County Health and CountyCare promotion at the <b>LEARN Health Fair</b> which will take place at the LEARN Charter Herro Campus located at 3021 West Carroll Avenue in Chicago.
September 28	Cook County Health and CountyCare promotion at the <b>State Rep. Debbie Meyers-Martin Health &amp; Wellness Fair</b> , which will take place at the Atrium Venue located at 4151 W. 183rd Street in Country Club Hills.
September 29	Cook County Health and CountyCare promotion at the <b>Trinity United Church of Christ Mental Health Expo</b> , which will take place at the church located at 400 W. 95th Street in Chicago.

The quarterly **Advisory Council meetings** for the following health centers will take place this month:

- September 11 – **Cottage Grove Health Center** – 1645 Cottage Grove Avenue, Ford Heights, IL
- September 12 – **Englewood Health Center** – 1135 W. 69th Street, Chicago, IL

**Near North Health Service Corporation** is hosting a two back to school health fairs on September 14 and they invited all MCOS to participate. CountyCare will have an informational table at these health fairs throughout the summer. Special promotion of the CountyCare Rewards program will happen at these events.

- **Komed-Holman Health Center** – 4259 S. Berkley Avenue, Chicago, IL 60653
- **Winfield Moody Health Center** – 1276 N. Clybourn Avenue, Chicago, IL 60610

The **GCFD Fresh Food Truck** visits for the month of September include the following ACHN Health Centers.

- September 5 – **Prieto Health Center** – 2424 S. Pulaski Road, Chicago, IL 60623
- September 10 – **Provident Hospital/Sengstacke Health Center** – 500 W. 51<sup>st</sup> Street, Chicago, IL
- September 17 – **Woodlawn Health Center** – 6337 S. Woodlawn Avenue, Chicago, IL 60634
- September 19 – **Arlington Heights Health Center** – 3250 N. Arlington Heights Rd, Arlington Heights, IL 60004
- September 20 – **CORE Center** – 2020 W. Harrison Street, Chicago, IL 60612
- September 24 – **Logan Square Health Center** – 2840 W. Fullerton Avenue, Chicago, IL 60647
- September 26 – **Oak Forest Health Center** – 15900 S. Cicero Ave. Oak Forest, IL 60452